ADRENALIN e-SYSTEMS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH 2026

R.G.N. Price & Co.,
Chartered Accountants

R.G.N. Price & Co.
CHARTERED ACCOUNTANTS

'Akshaya Shanti'
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29th April 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADRENALIN eSYSTEMS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Adrenalin eSystems Limited** (the "parent"), along with its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes the Consolidated Balance Sheet as at 31st March 2026 and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the group as at 31st March 2026 and its loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

R.G.N. PRICE & CO. * Chartered Accountants *

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Material Uncertainty related to Going Concern

We draw attention to Note 2 to the Consolidated Financial Statements which describes that the Group has incurred net loss (after other comprehensive income) of Rs.2,486.11 lakhs during the year ended March 31, 2026, and as of that date, the Company's accumulated losses was Rs. 6,877.93 lakhs which have resulted in an erosion of substantial part of its net worth viz. about 99% as at the balance sheet date. These conditions and other matters set forth in the aforesaid note, indicates the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Based on the business projections along with cost reduction measures, Promoter's / Parent Company's financial support to fund Company's obligations and cash losses in the future and other factors as described in the aforesaid note, the Management is of the view that the going concern basis of accounting is appropriate for preparation of the Consolidated Financial Statements. The Group's ability to continue as a going concern is dependent on generating positive cash flows from operations as envisaged in the business projections and timely financial support from the Promoters / Parent Company to fund the cash losses and to meet the liabilities as and when they fall due.

Our opinion is not modified in respect of the above matter.

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

The parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

R.G.N. PRICE & CO. Chartered Accountants

Management's Responsibilities for the Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated changes in equity and cash flows of the group in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

R.G.N. PRICE & CO. * Chartered Accountants *

Report on Other Legal and Regulatory Requirements

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

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

   b) In our opinion, proper books of account as required by law have been kept by the Group in so far as it appears from our examination of those books; except for the matters stated in paragraph 1(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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

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

   e) On the basis of the written representations received from the directors of the Parent, taken on record by the Board of Directors, none of the directors of the parent is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

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

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of
   section 197(16) of the Act, the Parent, during the year, has paid remuneration to the Managing Director in
   excess of the limits prescribed under Schedule V of the Act by Rs 92.37 lakhs for which the approval by way
   of special resolution from its members is yet to be obtained.

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

      i. The Consolidated financial statements disclose the impact of pending litigations on its financial position in its financial statements - Refer note no 33 to the Consolidated financial statements.

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ii. The Group does not have long-term contracts for which there are no material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

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

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

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

v. The Company has not declared or paid dividend during the year and hence, requirement to comply with section 123 of the Act is not applicable.

R.G.N. PRICE & CO. * Chartered Accountants *

vi. Based on our examination which included test checks, the Parent has used accounting software for maintaining its books of account for the financial year ended 31st March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except at the database level where the same has not been enabled throughout the year

Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent as per the statutory requirements for record retention.

For R.G.N. Price & Co.
Chartered Accountants
FR No. 002785S

R.G.N. PRICE & CO CHENNAI CHARTERED ACCOUNTANTS

Place : Chennai
Date : 29th April 2026

K. Venkatakrishnan
Partner
Membership No.208591
UDIN: 26208591YQHKWS9811

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the Members of **Adrenalin eSystems Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **Adrenalin eSystems Limited** (the "Company" or "Parent") as of March 31, 2026 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to the Consolidated financial statements and their operating effectiveness.

R.G.N. PRICE & CO. * Chartered Accountants *

Our audit of internal financial controls over financial reporting with reference to the Consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

R.G.N. PRICE & CO. * Chartered Accountants *

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Parent has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For R.G.N. Price & Co.
Chartered Accountants
FR No. 002785S

R.G.N. PRICE & CO CHENNAI CHARTERED ACCOUNTANTS

Place : Chennai
Date : 29th April 2026

K. Venkatakrishnan
Partner
Membership No.208591
UDIN: 26208591YQHKWS9811

Adrenalin eSystems Limited

Consolidated Balance Sheet
(All Figures are in INR Lacs, unless specifically stated otherwise)

Particulars	Note No	As at 31st March 2026	As at 31st March 2025
ASSETS			
NON-CURRENT ASSETS			
a) Property, plant and equipment	4a	151.73	104.44
b) Right-of-use assets	4b	102.03	209.04
c) Intangible Assets - Software Product	4c	1,121.28	947.65
d) Software Product - under development	4d	5.27	129.86
e) Financial Assets			
(i) Investments	5	32.74	20.20
(ii) Loans and Deposits	6	36.66	20.36
f) Income tax assets (net)	8	252.30	744.73
g) Deferred tax assets (net)	9	124.49	124.49
CURRENT ASSETS			
a) Financial assets			
(i) Investments	11	673.49	231.17
(ii) Trade receivables	12	1,454.47	983.40
(iii) Cash and Cash equivalents	13	387.34	562.99
(iv) Other financial assets	14	605.19	534.27
b) Other current assets	15	292.18	173.52
TOTAL		**5,239.17**	**4,786.12**
EQUITY AND LIABILITIES			
EQUITY			
a) Share Capital	17	3,482.26	3,312.27
b) Other Equity	18	(3,467.43)	(2,841.66)
Total Equity		**14.83**	**470.61**
LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Borrowings	19	-	311.47
(ii) Lease Liabilities	20	0.00	119.75
(iii) Provisions	21	460.38	238.29
CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Lease Liabilities	23	119.75	115.11
(ii) Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		197.90	143.22
Total outstanding dues of creditors other than micro enterprises and small enterprises		573.06	377.54
b) Other Financial Liabilities	24	660.60	496.76
c) Other Current Liabilities	25	3,108.35	2,423.09
d) Provisions	26	104.30	90.28
TOTAL		**5,239.17**	**4,786.12**

Summary of significant accounting policies 3
The accompanying notes are an integral part of the financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

For R.G.N. Price and Co.
Chartered Accountants
ICAI Firm Registration Number : 002785S

R.G.N. PRICE & CO CHENNAI CHARTERED ACCOUNTANTS

K Venkatakrishnan
Partner
Membership No : 208591

Place : Chennai
Date : 29th April 2026

For and on behalf of the Board of Directors of
Adrenalin eSystems Limited

Arun Jain
Chairman
DIN : 00580919

N Srinivasa Bharathy
CEO and Managing Director
DIN: 03601418

K.S.Subramanian
Chief Financial Officer

Aprajita Singh
Company Secretary & Legal

Adrenalin eSystems Limited

Consolidated Statement of Profit and Loss
(All Figures are in INR Lacs, unless specifically stated otherwise)

Particulars	Note No	For the year ended 31st March 2026	For the year ended 31st March 2025
INCOME			
Revenue from Operations	27	8,781.44	7,828.90
Other Income	28	32.85	84.61
TOTAL INCOME		**8,814.29**	**7,913.51**
EXPENSES			
Employee Benefit Expenses	29	6,372.57	4,981.01
Depreciation and Amortization Expense	30	608.07	558.24
Finance Cost	31	56.25	98.75
Other Expenses	32	3,995.21	3,165.22
TOTAL EXPENSES		**11,032.10**	**8,803.22**
PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		**(2,217.81)**	**(889.71)**
EXCEPTIONAL ITEM - IMPACT OF LABOUR CODES		**(276.51)**	**-**
PROFIT BEFORE TAX		**(2,494.32)**	**(889.71)**
Tax Expenses	10		
- Current Tax		-	-
- Tax related to earlier periods - written off		-	-
- Deferred Tax		-	-
PROFIT FOR THE PERIOD		**(2,494.32)**	**(889.71)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		10.86	(21.14)
Income Tax effect of the above		(2.73)	5.72
Items that will be reclassified subsequently to profit or loss			
Other Comprehensive Income / (loss) for the year, net of tax		8.13	(15.41)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(2,486.19)**	**(905.12)**
EARNINGS PER SHARE	35		
Equity shares at Face Value of Rs. 5 each/-			
Basic		(3.61)	(1.34)
Diluted		(3.61)	(1.34)

Summary of significant accounting policies 3
The accompanying notes are an integral part of the financial statements
This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For R.G.N. Price and Co.
Chartered Accountants
ICAI Firm Registration Number : 002785S

R.G.N. PRICE & CO
CHENNAI
CHARTERED ACCOUNTANTS

K Venkatakrishnan
Partner
Membership No : 208591

Place : Chennai
Date : 29th April 2026

For and on behalf of the Board of Directors of
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Chief Financial Officer

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Adrenalin eSystems Limited

Consolidated Statement of Cash Flow
(All Figures are in INR Lacs, unless specifically stated otherwise)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit before tax	(2,494.32)	(889.71)
Adjustments to reconcile net profit to net cash provided by operating activities:		
a) Depreciation & Amortisation	608.07	558.24
b) Interest Cost	56.25	98.75
c) Interest Income from Deposits	(1.82)	(15.36)
d) Interest received on Income Tax Refunds	(18.33)	(15.55)
e) (Gain) / Loss on revaluation of current investments (net)	(12.25)	(53.08)
f) Adjustments to Other Comprehensive Income	10.86	(21.14)
g) Employee Stock option expenses	13.27	4.00
h) Provision towards withholding tax	614.86	458.66
i) Lease modification	-	1.25
Operating profit / (loss) before working capital changes	(1,223.41)	126.06
Decrease / (Increase) in Trade receivables	(470.93)	(34.34)
Decrease/(Increase) in financial assets and other assets	(189.57)	(427.15)
Increase/(Decrease) in financial liabilities, other liabilities and provisions	1,123.22	280.43
Cash from Operating activities	**(760.69)**	**(55.00)**
Income tax (Net of Refunds)	102.04	17.43
Net Cash from Operating Activities	**(658.65)**	**(37.57)**
B. Cash flow from Investing Activities		
Investment in Tangible & Intangible Assets	(592.96)	(625.58)
(Purchase) / Sale proceeds of Investments (net)	(430.05)	687.87
Profit on sale of MF		-
Deposits (made) / withdrawn during the year (net)	(16.31)	961.79
Interest received on Deposits	1.82	15.36
Net Cash from Investing Activities	**(1,037.50)**	**1,039.44**
C. Cash flow from Financing Activities		
(Repayment) / Increase in Long term borrowings	(311.47)	311.47
(Repayment) / Increase in Short term borrowings	-	(539.63)
Interest Paid	(40.42)	(71.63)
Lease Liability	(130.93)	(141.03)
Issue of equity shares through private placement	168.79	-
Securities Premium amount of issue of equity shares	1,833.33	
Issue of equity shares through employee stock options	1.20	-
Net Cash flow from Financing Activities	**1,520.50**	**(440.82)**
Net increase / (decrease) in cash and cash equivalents	(175.65)	561.05
Cash and Cash equivalents at the beginning of the year	562.99	1.94
Cash & Cash equivalent at the end of the year	387.34	562.99

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements
This is the Consolidated Statement of Cash Flow referred to in our report of even date

For R.G.N. Price and Co.
Chartered Accountants
ICAI Firm Registration Number : 002785S

R.G.N. PRICE & CO
CHENNAI
CHARTERED ACCOUNTANTS

K Venkatakrishnan
Partner
Membership No : 208591

Place : Chennai
Date : 29th April 2026

For and on behalf of the Board of Directors of
Adrenalin eSystems Limited

Arun Jain
Chairman
DIN : 00580919

N Srinivasa Bharathy
CEO and Managing Director
DIN: 03601418

K.S.Subramanian
Chief Financial Officer

Aprajita Singh
Company Secretary & Legal

Adrenalin eSystems Limited

Consolidated Statement of Changes in Equity
(All Figures are in INR Lacs, unless specifically stated otherwise)

a) Equity Share Capital

Particulars	Amount
Balance as on 1st April 2024	3,312.27
Changes during the period	-
Balance as on 31st March 2025	**3,312.27**

Particulars	Amount
Balance as on 1st April 2025	3,312.27
Changes during the period	169.99
Balance as on 31st March 2026	**3,482.26**

b. Other Equity

For the year ended March 31, 2025

	Reserves & Surplus					
Particulars	Securities Premium	Retained Earnings	Share Option Outstanding A/c	Other Comprehensive Income	Foreign Currency translation reserve	Total
As at April 1, 2024	1,564.97	(3,493.98)	7.74	(19.67)		(1,940.94)
Provision towards share based payments for the year	-	-	4.00	-		4.00
Loss for the year		(889.71)	-	-	0.81	(888.90)
Remeasurement of the net defined benefit (liability) / asset, net of tax	-	-	-	(15.82)		(15.82)
As at March 31, 2025	**1,564.97**	**(4,383.69)**	**11.74**	**(35.49)**	**0.81**	**(2,841.66)**

For the year ended March 31, 2026

	Reserves & Surplus					
Particulars	Securities Premium	Retained Earnings	Share Option Outstanding A/c	Other Comprehensive Income	Foreign Currency translation reserve	Total
As at April 1, 2025	1,564.97	(4,383.69)	11.74	(35.49)	0.81	(2,841.66)
Provision towards share based payments for the year	1,833.33	-	13.27	-		1,846.60
Loss for the year	-	(2,494.32)	-	-	13.82	(2,480.50)
Remeasurement of the net defined benefit (liability) / asset, net of tax	-	-	-	8.13		8.13
As at March 31, 2026	**3,398.30**	**(6,878.01)**	**25.01**	**(27.36)**	**14.63**	**(3,467.43)**

The accompanying notes are an integral part of the financial statements
This is the Consolidated Statement of changes in equity referred to in our report of even date

For R.G.N. Price and Co.
Chartered Accountants
ICAI Firm Registration Number : 002785S

R.G.N. PRICE & CO
CHENNAI
CHARTERED ACCOUNTANTS

K Venkatakrishnan
Partner
Membership No : 208591

Place : Chennai
Date : 29th April 2026

For and on behalf of the Board of Directors of
Adrenalin eSystems Limited

Arun Jain
Chairman
DIN : 00580919

N Srinivasa Bharathy
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DIN : 03601418

K.S.Subramanian
Chief Financial Officer

Aprajita Singh
Company Secretary & Legal

ADRENALIN eSYSTEMS LIMITED

Note 1: Corporate Information:

Adrenalin eSystems Limited is an Unlisted Public Limited Group Company bearing CIN Number: U72200TN2002PLC048860, incorporated under the provisions of Companies Act,1956. The Registered office of the Group Company is situated at No.244, Carex Centre, Anna Salai, Chennai 600 006 and corporate office is located at 6th Floor, East Wing, NxT LvL Building, Intellect, Plot No.3/G3, SIPCOT IT Park, Siruseri, Chennai 600 130. The group is predominantly operating in South Asia, Middle East, Africa and Asia Pacific geographies. Group is having its subsidiary in Dubai located at G045, Ground Floor, Techno Hub 1, Dubai Silicon Oasis, Dubai, United Arab Emirates and at Philippines located at 10th Floor Philamlife Tower, 8767, Paseo De Roxas, Makati City 1226, Philippines.

Adrenalin is committed to make a difference by providing a transformational digital HR solution to organizations. Adrenalin's customers continued satisfaction and support further bolsters the group's commitment to continuously develop a cutting-edge technological solution which will help HR play more strategic role in their organizations. The Adrenalin Software is delivered on-premises as well as offered as a service hosted on cloud.

2. Basis of preparation of financial statements

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 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 CFS.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared under the historical cost convention basis, on the accrual basis of accounting except for certain financial assets and financial liabilities which have been measured at fair value at the end of each reporting period, as stated in the accounting policies set out below.

Note:

The Group has incurred a net loss (after other comprehensive income) of Rs 2486.19 lakhs for the year ended 31st March 2026 and accumulated losses of Rs. 6878.01 lakhs constituting (99.96%) of the paid-up equity share capital and securities premium as of that date. The expenses incurred by the Group in building up manpower, marketing infrastructure and technology is expected to contribute to increase in revenue in the coming years. This along with cost control initiatives being implemented by the Management is expected to improve the overall profitability of the Group. Further, the Promotor/ Parent Company has infused capital during FY 2025-26 and has extended its support to fund the Company's obligations. Based on all the above, the management is of the view that the Group will be able to achieve profitable operations and raise funds as and when necessary, in order to meet its liabilities as they fall due. Accordingly, these financial statements have been prepared on the basis that the Group will continue as a going concern for the foreseeable future.

The financial statements are prepared on a going concern basis using the accrual concept except for the cash flow information. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in INR (its functional currency) and all values are rounded to the nearest Lacs, except where otherwise indicated.

3. Material Accounting Policies

a) Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed **in Note 45.** Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

b) Current versus Non-Current Classifications:

The Group presents assets and liabilities in the balance sheet based on current/ noncurrent classification. An asset has been classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability has been classified as current when it satisfies any of the following criteria.
- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading; due to be settled within twelve months after the reporting date; or
- The Group does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting date.

The Group classifies all other liabilities as non-current.

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

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

c) Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability &
c) The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

d) Use of Estimates & Judgements:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these standalone financial statements have been disclosed **in Note 45**. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

e) Cash and Cash Equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash in hand and deposits with banks in current accounts that are readily convertible into known amounts of cash and which are subject to insignificant risks of change in value.

f) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

g) Property Plant & Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

h) Depreciation and Amortization

Depreciation on each part of an item of property, plant and equipment is provided on Straight Line method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of items of property, plant and equipment is mentioned below:

Particulars	Estimated Life (in years)
Computer Accessories and Network	3
Office Equipment	5
Furniture and Fixtures	10

i) Intangible Asset

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

The amortization of software development and intellectual property costs is allocated on a straight-line basis over the best estimate of its useful life after the product is ready for use. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors. The amortization period and the amortization method are reviewed at each year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. The estimated useful life of the intangible assets is in the range of 3 to 5 Years.

j) Research and Development Cost:

Research costs are expensed as incurred. Development expenditure incurred on an individual new project is recognized as an intangible asset when the Group can demonstrate all the following:

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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit.

Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

k) Impairment of Intangible Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price 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 groups of assets. Where 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the cash generating units to which the individual assets are allocated.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the assets or cash generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

l) Revenue Recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the entity expects to receive in exchange for those products or services. Arrangements with customers for software related services are either on a fixed-price, fixed-bid or on a time-and material basis.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Annual Maintenance Services revenue is recognized over the period in which the services are rendered.

Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied.

Revenue accrued not billed represents earnings on ongoing fixed-price, fixed -bid and time and material contracts over amounts invoiced to customers. Billings in excess of revenues represents amounts billed in case of ongoing fixed bid, fixed price and time and material contracts wherein amounts have been billed in accordance with the billing cycle and efforts would be incurred subsequent to the balance sheet date.

Revenue from fixed-price, fixed-bid contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. The Group recognizes revenue based on relevant input or output measures based on nature of performance obligation being rendered. Revenue from customization and implementation services are recognized based on the above.

The entity presents revenues net of indirect taxes in its statement of Profit and loss.

m) Other Income

Interest income from deposits are recognized in the Profit and Loss account on accrual basis.

Interest income other than deposits are recognized on receipt basis and are recognized in the Profit & Loss account.

Profit on sale of units of mutual funds is recognized at the time of redemption and is determined as the difference between the redemption price and the carrying value

Dividend income is recognized when the right to receive dividend is established by the reporting date.

n) Foreign Currency Transactions:

Initial Recognition

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Measurement as at Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Group outstanding at the Balance Sheet date are restated at year end exchange rates.

Group does not carry any non-monetary items in foreign currency in its Balance Sheet.

Treatment of Exchange Differences

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognized as income or expense in the Statement of Profit and Loss.

o) Leases

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

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right of Use Assets

The Group recognizes 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 recognized, 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. The right-of-use assets are also subject to impairment. Right-of-use assets mainly consists of buildings, having a lease term of 5 years.

b. Lease Liabilities

At the commencement date of the lease, the Group recognizes 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group 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. The Group's lease liabilities are included in financial liabilities (see Note 20 and 23).

c. Short Term Lease

The Group applies the short-term lease recognition exemption to its short-term leases of Buildings (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 are recognized as expense in the profit and loss account.

p) Employee Benefits

a. Provident Fund

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Group make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employee's salary. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The Group has no further obligations under the plan beyond its monthly contributions.

b. Gratuity

The Group provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period. Re-measurement, comprising of actuarial gain or loss and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The defined benefit obligation recognized in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled and adjusted for unrecognized past service cost, if any. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

c. Compensation Absences

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

q) Taxes on Income

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current Tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized 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 establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group. The carrying amount of MAT is reviewed at each reporting date and the asset is written down to the extent the Group does not have convincing evidence that it will pay normal income tax during the specified period.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except for taxable temporary differences associated with investments in subsidiaries and associates, 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 recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and written off 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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 recognized outside the Statement of profit and loss is recognized outside Statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

r) Provisions & Contingencies

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

s) Borrowing Cost

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

t) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to the equity shareholders of the Group by weighted average number of equities shares issued during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

u) Employee Stock Option

Stock options are granted to the employees under the stock option scheme, the costs of stock options granted to the employees (equity-settled awards) of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves/stock 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 recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized 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 Group'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 recognized 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.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

v) 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.

w) Business Combination

Business Combination Business combinations have been accounted as per the acquisition method prescribed in Ind AS 103. When a business combination is achieved in stages, any previously held equity interest in the acquired is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit and loss or other comprehensive income, as appropriate. The excess of

(i) Sum of:

• the consideration transferred

• the amount of any non-controlling interests in the acquired entity and

• the acquisition-date fair value of any previously held equity interest in the acquired entity over

ii) The acquisition-date fair value of the net identifiable assets acquired is recognized as "Goodwill" else as "Gain on bargain purchase".

Any "Gain on a bargain purchase" is recognised in other comprehensive income and accumulated in equity as Capital Reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve. Transaction costs in connection with a business combination are expensed as incurred.

Basis of Consolidation

The consolidated financial statement of the subsidiaries has been prepared on the following basis: The consolidated financial statements incorporate the financial statements of the group and the entities controlled by the group.

Control is achieved when the group has the power over the investee and is exposed or has right to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The consolidated financial statement of the group combines the financial statement of the parent and its subsidiaries line by line by adding together the like items of the assets, liabilities, income and expenses.

All the intra group assets, liabilities, income, expenses, unrealised profits/losses on intra group transaction are eliminated on consolidation. Subsidiaries are consolidated from the effective date the control commences and ceases when the control is lost.

If the parent loses control over the subsidiary, the parent:

(i) Derecognises

(a) the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost; and

(b) the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them).

(ii) Recognises

(a) the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control

(b) if the transaction, event or circumstances that resulted in the loss of control involves a distribution of shares of the subsidiary to owners in their capacity as owners, that distribution; and

(c) any investment retained in the former subsidiary at its fair value at the date when control is lost. Reclassifies to the Statement of Profit and Loss or transfer directly to retained earnings if required by other Ind ASs, the amounts recognised in other comprehensive income in relation to the subsidiary. Recognises any resulting difference as a gain or loss in profit or loss attributable to the parent.

A. Financial Assets:

i. Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a. Debt instruments at amortized cost
b. Debt instruments at fair value through other comprehensive income (FVTOCI)
c. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
d. Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
• The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

• 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.

Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L.

On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

However, the Group may transfer the cumulative gain or loss within equity.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily when:

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

• The Group 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 Group has transferred substantially all the risks and rewards of the
asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset When the Group 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 Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group 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 Group could be required to repay.

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and bank balance.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

B. Financial Liability:

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, trade and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is derecognized 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

NOTE 45: MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

a. Judgements

In the process of applying the Group's accounting policies, management has not made any judgements, which have significant effect on the amounts recognised in the Standalone Financial Statements.

b. Estimates & Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1) Impairment of Non-Financial Assets:

Impairment exists when the carrying value of an asset or cash generating unit 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 projected 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 DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group 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. The Group capitalizes intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

2) Share Based Payments

The Group initially measures the cost of Equity-settled transactions with employees using a black scholes model to determine the fair value of the liability incurred. 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. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 31.

3) Defined Benefit Plan (Gratuity)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuation. 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 in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. The mortality rate is based on publicly available mortality tables for the specific countries. 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 for the respective countries. Further details about gratuity obligations and sensitivity analysis are given in Note 30.

4) Taxes

Current Tax for the current year is computed as per the provisions of the Income Tax Act. 1961

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

5) Leases

Determining the lease term of contracts with renewal and termination options - Group as lessee:

The Group 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 Group 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.

The Group 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 Group would have to pay to borrow.

Refer Note 42 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

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Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

4(a). PROPERTY, PLANT AND EQUIPMENT

Particulars	Computers	Furniture & Fittings	Office Equipments	Total
Gross Block				
As at April 1, 2024	**102.75**	**20.40**	**6.41**	**129.56**
Addition	47.01	47.02	1.75	95.78
Deletion	-	-	-	-
As at March 31, 2025	**149.76**	**67.42**	**8.16**	**225.34**
Addition	103.49	-	0.21	103.70
FC opening translation adjustment	0.40	4.03	0.01	4.44
Deletion	-	-	-	-
As at March 31, 2026	**253.65**	**71.45**	**8.38**	**333.48**
Accumulated Depreciation				
As at April 1, 2024	**57.07**	**20.24**	**5.90**	**83.21**
For the year	30.10	7.08	0.61	37.79
Adjustments	-	(0.10)	-	(0.10)
Deletions	-		-	-
As at March 31, 2025	**87.17**	**27.22**	**6.51**	**120.90**
For the year	55.08	5.24	0.53	60.85
Deletions	-	-	-	-
As at March 31, 2026	**142.25**	**32.46**	**7.04**	**181.75**
Net Book Value				
As at March 31, 2025	**62.59**	**40.20**	**1.65**	**104.44**
As at March 31, 2026	**111.40**	**38.99**	**1.34**	**151.73**

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Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

4(b). RIGHT OF USE OF ASSETS

Particulars	Office Premises
Gross Block	
As at April 1, 2024	**546.30**
Additions	
Deletions	21.50
As at March 31, 2025	**524.80**
Additions	-
Deletions	-
As at March 31, 2026	**524.80**
Accumulated Depreciation	
As at April 1, 2024	**199.95**
For the year	115.81
Deletions	-
As at March 31, 2025	**315.76**
For the year	107.01
Deletions	-
As at March 31, 2026	**422.77**
Net Book Value	
As at March 31, 2025	**209.04**
As at March 31, 2026	**102.03**

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Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

4(c). INTANGIBLE ASSETS

Particulars	Software Product	Others	Total
Gross Block			
As at April 1, 2024	**2,100.69**	**-**	**2,100.69**
Addition	399.95		399.95
Deletion	(976.53)		(976.53)
As at March 31, 2025	**1,524.11**	**-**	**1,524.11**
Addition	581.73	32.11	613.84
Deletion	-		-
As at March 31, 2026	**2,105.84**	**32.11**	**2,137.95**
Accumulated Amortization			
As at April 1, 2024	**1,148.34**	**-**	**1,148.34**
For the year	404.65	-	404.65
Deletion	(976.53)	-	(976.53)
As at March 31, 2025	**576.46**	**-**	**576.46**
For the year	438.20	2.01	440.21
Deletion	-	-	-
As at March 31, 2026	**1,014.66**	**2.01**	**1,016.67**
Net Book Value			
As at March 31, 2025	**947.65**	**-**	**947.65**
As at March 31, 2026	**1,091.18**	**30.10**	**1,121.28**

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Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

4(d). SOFTWARE PRODUCT - UNDER DEVELOPMENT

Particulars	**Software Product - Under Development**
As at April 1, 2024	**-**
Additions	129.86
Capitalisation	-
As at March 31, 2025	**129.86**
Additions	457.14
Capitalisation	581.73
As at March 31, 2026	**5.27**

Net Book Value	
As at March 31, 2025	**129.86**
As at March 31, 2026	**5.27**

Intangible assets under development are aged < 1 year as at 31st March 2026 and 31st March 2025 respectively

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Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All figures are in INR Lacs unless specifically stated otherwise)

Note No 5 : Investments

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Investments (Carried at fair value through profit or loss)	**Amount**	**Amount**
Investment in Fixed Deposit		
Fixed Deposit with ICICI Bank	32.74	20.20
	32.74	**20.20**
Total	**32.74**	**20.20**

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Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
6	**Loans & Deposits**		
	Income tax appeal fees	10.77	10.77
	Rent Deposit	17.36	3.50
	Security Deposit against RFP	2.00	-
	Security Deposit at Fair Value	6.53	6.09
	Total	36.66	20.36

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
8	**Income Tax Assets (Net)**		
	Tax Deducted at Source	252.30	336.01
	Withholding Tax	1,286.17	1,066.43
	Less: Provision for Withholding Tax	(1,286.17)	(657.71)
	Total	252.30	744.73

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
9	**Deferred Tax Assets / (Liability)**		
	Items contributing to Deferred tax Asset		
	Difference between Depreciation as per books of accounts & Income Tax Act,1961	72.49	72.49
	Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	45.66	45.66
	Lease Liabilities	93.51	93.51
	Total	**211.66**	**211.66**
	Items contributing to Deferred tax Liability		
	Right of use of Assets	(87.17)	(87.17)
	Total Deferred Tax Asset	**124.49**	**124.49**
	Reconciliation of deferred tax asset (net)		
	Opening balance as of 1 April	124.49	124.49
	Net Deferred Tax income/(expense) during the period recognised in profit or loss & Other Comprehensive Income	-	-
	Closing Balance	**124.49**	**124.49**

The group has unabsorbed losses amounting to Rs.6878 lacs. Considering prudence, the company has not created further deferred tax assets on the same

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 10 : Income tax & Deferred Tax recognized in statement of Profit and loss

Particulars	As at 31st March 2026	As at 31st March 2025
Income tax expense:		
Current Period	-	-
Tax related to earlier years written off	-	-
Deferred tax expense	-	-
Origination and reversal of temporary differences	-	-
Income tax expense	**-**	**-**
Other Comprehensive Income:		
Re-measurement gains/ (losses) on defined benefit plans	(2.73)	5.32
Income tax recognized in Other comprehensive Income	**(2.73)**	**5.32**

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Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All figures are in INR Lacs unless specifically stated otherwise)

Note no 11 : Investments

Particulars	As at 31st March 2026		As at 31st March 2025	
	Units	Amount	Units	Amount
Investments (Carried at fair value through profit or loss)				
Investment in Mutual Funds - (Quoted)				
Hdfc Flexi Cap Fund Regular-Growth	2481.76	45.11	-	-
Icici Prudential Large Cap Fund-Growth	65,220.24	65.14	-	-
Nippon India Large Cap Fund-Growth	1,11,238.96	90.67	-	-
Kotak Arbitrage Fund Regular-Growth	9,713.17	3.80	9,713.17	3.58
Hdfc Manufacturing Fund Regular - Growth	-	-	4,85,765.77	47.28
Icici Prudential Balanced Advantage Growth	1,49,510.73	107.33	-	-
Hdfc Equity Savings Fund - Growth	-	-	2,35,459.64	149.12
Franklin India Multi Asset Allocation Fund Regular-G	7,49,962.50	76.32	-	-
Sbi Multi Asset Allocation Fund Growth	1,63,885.06	102.38	-	-
Kotak Money Market Fund Regular-Growth	56.89	2.67	-	-
Kotak Multi Asset Allocation Fund - Growth	2,53,228.07	36.96	2,53,228.07	31.19
Sbi Savings Fund Growth	1,20,924.62	52.26	-	-
Uti Money Market Fund Regular Plan Growth	51.62	1.67	-	-
Uti Nifty 50 Index Fund Regular Plan-Growth	57,969.46	89.17	-	-
TOTAL		**673.48**		**231.17**
Aggregate book value of Quoted Investments		673.48		231.17
Aggregate market value of Quoted Investments		673.48		231.17
Aggregate amount of impairment in value of Investment		-		-

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All figures are in INR Lacs unless specifically stated otherwise)

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
12	**Trade Receivables**		
	Unsecured, Considered Good	1,546.06	1,072.14
	Provision for Credit Impairment	(91.59)	(88.74)
	Total	**1,454.47**	**983.40**

There are no trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Ageing of Trade Receivables as at 31st March 2026

Particulars	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	More than 2 years	Total
As at 31st March 2026						
Trade Receivables - Undisputed, Unsecured, considered Good	1,018.38	455.63	39.00	1.99	31.06	1,546.06
	5.07	28.53	24.95	1.99	31.06	91.59
Net Receivables	**1,013.31**	**427.10**	**14.05**	**-**	**-**	**1,454.47**
As at 31st March 2025						
Trade Receivables - Undisputed, Unsecured, considered Good	764.36	216.59	57.22	33.97	-	1,072.14
Less : Provision for Credit Impairment	3.68	17.80	33.29	33.97	-	88.74
	760.68	198.79	23.93	-		983.40

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
13	**Cash & Cash Equivalents**		
	- On Current Accounts	377.49	553.13
	- Cash on hand	9.85	9.86
	Total	**387.34**	**562.99**

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
14	**Other Financial Asset**		
	Contract Assets - Unbilled Revenue	605.19	534.27
	Total	**605.19**	**534.27**

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
15	**Other Current Asset**		
	Employee Travel Advance	101.33	65.20
	Prepaid - Expenses	190.85	108.32
	Total	**292.18**	**173.52**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No : 16

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Payables		
- Total outstanding dues of Micro and Small Enterprises	197.90	143.22
- Total outstanding dues of creditors other than Micro and Small Enterprises	573.06	377.54
Total	**770.96**	**520.76**

Ageing of Trade Payables at at 31st March 2026

Particulars	Outstanding for following periods from the date of invoice				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	197.90				197.90
(ii) Others	573.06				573.06
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-

Ageing of Trade Payables at at 31st March 2025

Particulars	Outstanding for following periods from the date of invoice				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	143.22	-	-	-	143.22
(ii) Others	377.54	-	-	-	377.55
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-

The Company has certain dues to Suppliers registered under Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

The information required to be disclosed under Micro Small & Medium Enterprises Development Act, 2006 (The MSMED Act) has been determined to the extent such parties have been identified on the basis of information received from such parties and available with the Company.

The disclosure pursuant to said MSMED Act are as follows :

Particulars	As at 31st March 2026	As at 31st March 2025
(i) The amounts remaining unpaid to suppliers as at the end of the year		
Principal	197.90	143.22
Interest		
(ii) The amount of interest paid to the buyer in terms of Section 16 of the MSMED Act 2006	-	-
The amount of the payments made to suppliers beyond the appointed day during each accounting year	-	-
(iii) 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 MSMED Act 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.42	1.73
(v) The amount of further interest remaining due and payable even in the succeeding years until such dates when the interest due above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	2.42	1.73

Adrenalin eSystems Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 17 : Equity Share Capital

a) Details of Authorised Share Capital outstanding at the beginning and end of reporting period		
Particulars	**No. of Shares**	**Amount**
As at April 1, 2024	**8,00,00,000**	**4,000.00**
Increased during the year		
As at March 31, 2025	**8,00,00,000**	**4,000.00**
Increased during the year	-	-
As at March 31, 2026	**8,00,00,000**	**4,000.00**

b) Equity Shares of Rs 5/- each, Issued, Subscribed and Fully paid up		
Particulars	**No of Shares**	**Amount**
As at April 1, 2024	6,62,45,369.00	3,312.27
Issued during the year		
As at March 31, 2025	**6,62,45,369.00**	**3,312.27**
Issued during the year	33,99,734.00	169.99
As at March 31, 2026	**6,96,45,103.00**	**3,482.26**

Terms/rights attached to equity shares

The Group has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share. Equity shares entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

c) Details of shareholding more than 5% held as at reporting date

Particulars	**As at 31st March 2025**	
	No of Shares	**% Holding**
a) Polaris Banyan Company Private Limited	3,20,89,952	48.44%
b) Intellect Design Arena Limited	2,94,85,502	44.51%
Total	**6,15,75,454**	**92.95%**

Particulars	**As at 31st March 2026**	
	No of Shares	**% Holding**
a) Polaris Banyan Company Private Limited	3,46,15,405	49.70%
b) Intellect Design Arena Limited	2,94,85,502	42.34%
Total	**6,41,00,907**	**92.04%**

d) Shareholding of Promoters as on 31st March 2026

Promoter Name	**No of Shares**	**Shareholding %**	**Change during the year**
Mr. Arun Jain	14,07,761	2.02%	134.67%
Mr. V. Balaraman	12,01,578	1.81%	0.00%
Dr. Ashok Korwar	10,945	0.02%	0.00%
Mr. V. Balakrishnan	22	0.00%	0.00%
Mr. N Vaidyananthan	20	0.00%	0.00%
Mr. V Raghuraman	20	0.00%	0.00%
Mr. S. Sriram	20	0.00%	0.00%
Total	**26,20,366**	**3.85%**	**134.67%**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 18 : Other Equity

Particulars	As at 31st March 2026	As at 31st March 2025
Securities Premium:		
Opening Balance	1,564.97	1,564.97
Addition:	1,833.33	-
Deletion:	-	-
Closing Balance	**3,398.30**	**1,564.97**
Retained Earnings:		
Opening Balance	(4,383.69)	(3,493.98)
Add: Profit after Tax	(2,494.32)	(889.71)
Deletion:	-	-
Closing Balance	**(6,878.01)**	**(4,383.67)**
Share Option Outstanding Account:		
Opening Balance	11.74	**7.74**
Addition : Share based payments	13.27	4.00
Deletion	-	-
Closing Balance	**25.01**	**11.74**
Other Comprehensive Income:		
Opening Balance	(35.49)	**(19.67)**
Addition : Remeasurement of the net defined benefit (liability) / asset, net of tax	8.13	(15.82)
Deletion	-	-
Closing Balance	**(27.36)**	**(35.49)**
Foreign Currency translation reserve		
Opening Balance	0.81	-
Loss for the year	13.82	0.81
Adjustments		0.00
Closing Balance	**14.63**	**0.81**

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Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
19	**Borrowings**		
	Unsecured loan from Polaris Banyan Holdings P Ltd	-	311.47
	Total	**-**	**311.47**

The company has obtained loan from Polaris Banyan Holdings Limited amounting to Rs.300 lacs with interest payable at 10% p.a payable after the year end.
The loan has been repaid during the year

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
20	**Lease Liabilities**		
	Lease Liabilities	0.00	119.75
	Total	**0.00**	**119.75**

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
21	**Other Long Term Liabilities**		
	Provision for Gratuity	353.56	165.17
	Provision for Compensated Absences	106.82	73.12
	Total	**460.38**	**238.29**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All figures are in INR Lacs unless specifically stated otherwise)

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
23	**Lease Liabilities**		
	Lease Liabilities	119.75	115.11
	Total	**119.75**	**115.11**

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
24	**Other Financial Liabilities**		
	Employee Payables	382.68	279.60
	Expenses Payables	277.92	217.16
	Total	**660.60**	**496.76**

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
25	**Other Current Liabilities**		
	Contract Liabilities	2,932.23	2,267.66
	Statutory Payables	176.14	155.43
	Total	**3,108.35**	**2,423.09**

Note No	Particulars	As at 31st March 2026	As at 31st March 2025
26	**Provisions**		
	For Gratuity	81.49	71.42
	For Compensated Absences	22.81	18.86
	Total	**104.30**	**90.28**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All figures are in INR Lacs unless specifically stated otherwise)

Note No	Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
27	**Revenue from Operations**		
	Revenue from Contracts with Customers	8,781.44	7,828.90
	Total	**8,781.44**	**7,828.90**

Note No	Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
28	**Other Income**		
	Revaluation Gains from Mutual Fund Investment	(25.81)	0.20
	Net Gains from Sale of Mutual Fund Investment	38.06	53.08
	Interest on Income Tax Refund	18.33	15.55
	Interest on Fixed Deposit with Banks	1.64	15.36
	Interest Income on FV on Sec Deposit	0.45	0.42
	Interest on salary advance	0.18	-
	Total	**32.85**	**84.61**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All figures are in INR Lacs unless specifically stated otherwise)

Note No	Particulars	For the year ended	For the year ended
29	**EMPLOYEE BENEFIT EXPENSES**	**31-03-2026**	**31-03-2025**
	Salaries & Incentives	5,949.56	4,659.28
	Cross-Charge-Dubai	-	-
	Contribution to Provident and Other funds	287.78	222.10
	Expenses on Employee Stock Option Scheme	13.27	4.00
	Staff Welfare Expenses	121.96	95.63
	Total	**6,372.57**	**4,981.01**

Note No	Particulars	For the year ended	For the year ended
30	**FINANCE CHARGES**	**31-03-2026**	**31-03-2025**
	Interest on Overdraft Facility	-	32.01
	Interest on Polaris Unsec Loan	21.22	-
	Bank Charges	16.79	37.90
	Interest on Lease Liabilities	15.82	27.11
	Interest on MSME	2.42	1.73
	Total	**56.25**	**98.75**

Note No	Particulars	For the year ended	For the year ended
31	**Depreciation & Amortisation**	**31-03-2026**	**31-03-2025**
	Depreciation of Property, Plant and Equipments (Refer note no 4A)	60.85	37.78
	Depreciation of Right of use of assets (Refer note no 4B)	107.01	115.81
	Amortisation of Intangible Assets (Refer note no 4C)	440.21	404.65
	Total	**608.07**	**558.24**

Note No	Particulars	For the year ended	For the year ended
32	**Other Expenses**	**31-03-2026**	**31-03-2025**
	Travelling & Conveyance	584.67	420.48
	Communication Expenses	38.92	28.87
	Printing & Stationery	3.94	4.24
	Professional Fees	261.38	145.54
	Rent Expenses	75.17	102.19
	Marketing Expenses	255.96	294.86
	Partner Commission	69.19	23.35
	Infrastructure Expense	1,240.20	899.36
	Deferred Expense	-	-
	Audit Fees	-	-
	- Statutory Audit	8.50	6.50
	- Tax Audit	0.75	0.50
	- Out of Pocket Expenses	0.87	0.18
	Corporate Social Responsibility	3.00	3.00
	Provision for Expected Credit Loss	14.42	52.19
	Third Party Services / Tools	721.89	595.47
	Foreign Exchange Fluctuation	17.60	39.93
	Provision for With holding tax	627.98	458.66
	Miscellaneous Expenses	70.77	89.90
	Total	**3,995.21**	**3,165.22**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 33 : Contingent Liabilities and commitments

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Contingent Liabilities:		
a) Disputed Demands under Appeals :		
i) Income Tax	169.31	169.31

Uncertainity over Income tax treatment:

The Company has on-going appeals with Income Tax Authorities against demands arising on completion of assessment proceedings under Income Tax Act, 1961. The Company has evaluated the above pending disputes and expects that its position will likely be upheld on ultimate resolution and these will not have a material adverse effect on the Company's financial position and results of operations.

During FY 2025-26, A Past customer of the Company Limited has filed a Commercial Civil suit at Anand, Gujarat against the Company citing non-performance with respect to HRMS implementation amounting to Rs 3.50 crores. The Company has submitted a written statement against the above suit rejecting the Customer's contentions and have filed a counter claim of Rs 17 lakhs. Based on the merits of the case, the Management is confident of winning the suit in favor of the Company

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
b) Bank Guarantees given	10.90	-

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 34 : Details of Employee Benefit Plans

a) Defined contribution plans

The Company makes Provident fund contributions to defined contribution plans for qualifying employees. Under this scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company to these plans are at the rates specified in the rules of the schemes.

Particulars	As at 31st March 2026	As at 31st March 2025
Contribution to provident fund recognised in statement of profit and loss	173.28	144.64

a) Defined benefit plans

Gratuity liability has been provided based on the actuarial valuation carried out at the year end.
The company has a gratuity scheme in respect of which company's contribution is partially funded through an approved trust fund.

The details of actuarial valuation in respect of Gratuity is furnished hereunder:

Particulars	As at 31st March 2026	As at 31st March 2025
i) Change in Defined Benefit Obligation (DBO) during the year:		
Present value DBO at the beginning of the year	332.83	272.96
Service cost	81.49	43.13
Plan Amendment's Past service cost	276.51	-
Interest cost	20.85	18.82
Remeasurement(gain)/loss	-	-
Actuarial (gain)/loss arising from experience financial and demographic adjustments	(16.58)	20.34
Benefits paid	(38.60)	(22.42)
Present value DBO at the end of the year	**656.50**	**332.83**
ii) Change in fair value of plan assets during the year:		
Fair value of plan assets as at beginning of the year	**207.94**	**137.72**
Expected return on planned assets	13.37	12.02
Contributions	129.21	81.42
Benefits paid	(38.60)	(22.42)
Actuarial gains / (losses)	(5.71)	(0.80)
Fair value of plan asset at the end of the year	**306.21**	**207.94**
iii) Amount recognised in the balance sheet		
Present value DBO at the end of the year	656.50	332.83
Fair value of the plan assets at the end of the year	306.21	207.94
(Liability) / Asset recognised in the Balance sheet - net	**(350.29)**	**(124.89)**
iv) Components of employer expenses:		
Current service cost	81.49	43.13
Interest cost/ (income) on net defined benefit obligation	7.48	6.80
Expense recognised in Statement of Profit t and Loss	**88.97**	**49.93**
v) Re-measurement on the net defined benefit obligation		
(Return) / Loss on Plan Assets (greater) / less than discount rate	5.71	0.80
Actuarial loss arising from changes in financial assumptions	(24.48)	32.93
Actuarial loss arising from changes in experience adjustments	7.91	(12.59)
Actuarial (Gains)/losses arising from changes in demographic assumptions	-	-
Re-measurements recognised in other comprehensive income	**(10.86)**	**21.14**

ASSUMPTIONS

The principal assumptions used for the purposes of the actuarial valuations are given below:

Particulars	As at 31st March 2026	As at 31st March 2025
Discount rate	7.30%	6.65%
Expected rate of return	6.65%	7.19%
Expected salary increment	7.00%	7.00%
Attrition rate:		
a.) For service 5 years and below	18%	18%
b.) For service 5.01 years and above	5%	5%
Mortality table used	Indian Assured Lives Mortality (2012-14) Ultimate	

Particulars	As at 31st March 2026	As at 31st March 2025
Sensitivity analysis - DBO at the end of the year		
i) Discount -0.5%	3.01	3.43
ii) Discount +0.5%	(2.85)	(3.07)
iii Escalation -0.5%	(2.21)	(2.85)
iv Escalation +0.5%	2.13	3.10
v Mortality 10% UP	(0.00)	(0.02)
vii Attrition -0.5%	0.11	0.37
viii Attrition +0.5%	(0.11)	(0.35)
ix No Benefit Ceiling	4.00	2.75

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration of DBO (in years)	6.49	6.77
Expected cash flows		
1 Expected employer contribution in the next year		
2 Expected benefit payments		
- Year 1	93.38	29.84
- Year 2	92.05	31.84
- Year 3	63.44	34.66
- Year 4	72.67	19.77
- Year 5	60.50	22.42
- beyond 5 years	283.10	85.95
- beyond 10 years	436.44	108.36

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note no 35 : Earnings Per Share

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Profit before taxation (Rs in Lacs)	(2,494.32)	(889.71)
Weighted average number of equity shares outstanding during the period	6,90,06,637.64	6,62,45,369.00
Basic earnings per share- (Face value – Rs.5/- per share) (In INR)	(3.61)	(1.34)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Profit before taxation (Rs in Lacs)	(2,494.32)	(889.71)
Weighted average number of equity shares outstanding during the period	6,90,06,637.64	6,62,45,369.00
Diluted earnings per share- (Face value – Rs.5/- per share) (In INR)	(3.61)	(1.34)

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All figures are in INR Lacs unless specifically stated otherwise)

Note No 36 : Unhedged foreign currency exposures

Particulars	Currency	As at 31st March 2026	As at 31st March 2025
Amount receivable in foreign currency - Exports	USD	3.06	1.52
	AED	2.36	1.34
	PHP	53.44	-
	MYR	-	1.68
Amount payable in foreign currency - Imports	USD	4.00	0.38
	AED	0.69	-
	QAR	0.53	-

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 37 : Segment Reporting

The Executive Management Committee monitors the operating results of its business as a single primary segment "Software Product Licence and related services" for the purpose of making decisions about resource allocation and performance assessment.

The business of the Group falls under a single primary segment i.e. 'Software Product License & related services' for the purpose of Ind AS 108.

A. Information about geographical areas

Net sales to customers by geographic area for the year ended is listed below

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
a) India	5,029.85	4,671.81
b) Outside India	3,751.59	3,157.09

B. Information about major customers

Customers individually accounting for more than 10% of the revenues of the company for the relevant period ended is listed below

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
No of customers	-	-
% of Revenue from above customers to total revenue from operations	0.0%	0.00%

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 38 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The funding requirements are met through internal accruals, long-term and short-term borrowings.

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The following table summarizes the capital of the Company:

Particulars	As at 31st March 2026	As at 31st March 2025
Total Equity	**14.83**	**470.61**
Non Current Borrowings	-	311.47
Current Borrowings	-	-
Total Debt	**-**	**311.47**
Total Capital (Equity + Debt)	14.83	782.08
Equity as a % of total capital	100.0%	60.2%
Debt as a % of total capital	0.0%	39.8%

(All figures are in INR Lacs unless specifically stated otherwise)

Note No 39 Financial instruments

Categories of financial instruments

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
A. Financial assets		
Measured at Fair value through profit or loss (FVTPL):		
Investments in mutual funds	**673.48**	**231.17**
Measured at Fair value through Other comprehensive Income (FVTOCI):	-	-
Measured at Amortised cost:		
Fixed Deposits	32.74	20.20
Margin Money Deposits	-	-
Trade Receivables	1,454.47	983.40
Cash and Cash Equivalents	387.34	562.99
Contract Assets	605.19	534.27
	2,479.74	**2,100.87**
B. Financial liabilities		
Measured at Amortised cost		
Borrowings	-	311.47
Trade Payables	770.96	520.76
Other Financial Liabilities	660.60	496.76
Lease Liabilities	119.75	234.86
	1,551.30	**1,563.85**

Financial risk management objectives

The Company is broadly exposed to credit risk, liquidity risk and market risk (fluctuations in exchange rates and price risk) as a result of financial instruments.

Board of Directors have the overall responsibility for the establishment, monitoring and supervision of the Company's Risk Management framework.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

The cash and cash equivalents and margin money deposits are held with banks. The Company has not incurred any losses on account of default from banks on deposits.

Liquidity Risk

Liquidity Risk is the risk that the company could encounter if it faces difficulty in meeting the obligations associated with financial liabilities by delivering cash and other financial asset or the risk that the Company will face difficulty in raising financial resources required to fulfil its commitments. The company's exposure to liquidity risk is very minimal as it has a prudent liquidity risk management process in place which ensures maintaining adequate cash and marketable securities to pay its liabilities when they are due. To ensure continuity of funding, the Company has access to shortterm bank facilities in the nature of bank overdraft facility,to fund its ongoing working capital requirements and growth needs when necessary.

The table below analyses the company's financial liabilities based on their contractual maturities. The amounts disclosed are contractual undiscounted cash flows.

As at 31st March 2026

Nature	**Less than 1 year**	**1 -2 Years**	**More than 2 years**
Current Borrowings (Overdraft)	-	-	-
Non Current Borrowings (Term Loan)	-	-	-
Trade Payables	770.96	-	-
Other Financial Liabilities	660.60	-	-
Lease Liabilities	119.75	0.00	-

As at 31st March 2025

Nature	**Less than 1 year**	**1 -2 Years**	**More than 2 years**
Current Borrowings (Cash Credit)	-	-	-
Non Current Borrowings (Term Loan)	-	-	311.47
Trade Payables	520.76	-	-
Other Financial Liabilities	496.76	-	-
Lease Liabilities	115.11	119.75	-

Note:
In the above table, we have re-classified the Term loan in to Non Current Borrowing to represent the year wise schedule.

Market Risk

The company faces competition from large Multinational companies, local companies in the geography in which we operate and Indian Product companies. While many of these companies are established companies, the start ups may also disrupt our business. This may pose a challenges to maintain or sustain the business growth or profitability in a longer run.

Currency Risk

The company is exposed to foreign exchange risk arising from foreign currency transactions primarily relating to purchases and sales made in foreign currencies such as US Dollar, Euro etc. Foreign exchange risk arises from existing and future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

Particulars	**Currency**	**As at 31st March 2026**	**As at 31st March 2025**
Amount receivable in foreign currency - Exports	USD	3.06	1.52
	AED	2.36	1.34
	PHP	53.44	-
	MYR	-	1.68
Amount payable in foreign currency - Imports	USD	4.00	0.38
	AED	0.69	-
	QAR	0.53	-

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 40 Related Party Disclosure

(i) The list of related parties as identified by the management for disclosure as under

A) Key management personnel:

Mr. N. Srinivasa Bharathy - Managing Director and Chief Executive Officer
Mr. K.S.Subramanian - Chief Financial Officer.
Ms. Aprajita Singh - Company Secretary & Legal

Particulars	As at 31st March 2026	As at 31st March 2025
Remuneration to Key Management Personnel	204.22	178.21

The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole and cost accrued for share based payments options provided to KMP.

Particulars	As at 31st March 2026	As at 31st March 2025
Sitting fees paid to Directors	4.30	6.60

B) Board of Directors:

Mr. Arun Jain - Chairman
Mr. Seshadri Venkat Ramanan - Non Executive Director
Mr. Kumaran Mani - Non Executive Director
Mr. Arvind Mishra - Independent Director
Mr. M V Subramaninan - Independent Director

C) Entities holding significant influence over the Company

i) Polaris Banyan Holding Private Limited
ii) Intellect Design Arena Limited

D) Entities controlled by the Company

i) Adrenalin Esystems L.L.C, Dubai
ii) Adrenalin Technologies Inc.

E) Entities where a person has a control over the entity holding significant influence
Intellect Design Arena Philippines Inc
Intellect Design Arena SDN BHD, Malaysia

F) Transaction with Related Parties

Related Party Transactions	Entities holding significant Influence		Entities where Key managerial personnel holds significant influence	
Particulars	Intellect Design Arena Limited, India	Polaris Banyan Holding Private Limited	Intellect Design Arena SDN BHD, Malaysia	Intellect Design Arena Philippines Inc
Trade Receivable Outstanding	49.13	-	-	109.15
Trade Payables Outstanding	28.37	2.92	228.07	141.78
Software Licence and Services Income to the company	379.53	-	-	529.84
Rental Expenses by the company	117.40	16.24	8.12	30.32
Reimbursement of Expenses by the company	1.67	-	388.43	218.25

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 41 Additional disclosures under IndAS 115

Reconciliation of the revenue from contract with customers with the amounts disclosed in the segment information:

As the company operates in a single segment, reconciliation between segment revenue and revenue from contract with customers is not applicable

A. Reconciling the amount of revenue recognized in the Statement of Profit and Loss with the contracted price:

Particulars	**For the year ended 31st March 2026**	**For the year ended 31st March 2025**
Revenue as per Contracted Price	8,781.44	7,828.90
Less : Discounts	-	-
Revenue as per Statement of Profit and Loss account	**8,781.44**	**7,828.90**

B. Timing of Revenue Recognition

Particulars	**For the year ended 31st March 2026**	**For the year ended 31st March 2025**
Revenue recognized at a point in time	289.46	443.48
Revenue recognized over a period of time	8,491.98	7,385.42
Total	8,781.44	7,828.90

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 42 Leases Disclosure:

The Company has lease contracts for Office Premises for Administrative purpose. . The Company applies the exemption available for 'short-term leases wherever applicable.

Set out below are the carrying amounts of the lease liabilities included under financial liabilities and the movements during the period revenue from contract with customers is not applicable

Particulars	**For the year ended 31st March 2026**	**For the year ended 31st March 2025**
Opening Balance	234.86	371.54
Add: Recognized / (deleted) during the year	-	-
Add: Accretion of Interest	15.82	27.11
less: Lease Payments	(130.93)	(141.03)
Less : lease modification		(22.76)
Closing Balance	**119.75**	**234.86**
On the above:		
Current	119.75	115.11
Non Current	0.00	119.75

Maturity Analysis of Lease liability	**Less than one year**	**1-5 Years**
As at 31st March 2026	119.75	0.00
As at 31st March 2025	115.11	119.75

Amount recognized in the statement of Profit and Loss during the year:

Particulars	**For the year ended 31st March 2026**	**For the year ended 31st March 2025**
Depreciation on right -of use assets	107.01	115.81
Interest expenses on Lease liability	15.82	27.11
Expenses relating to short -term leases	75.17	68.48
Expenses related to low value assets	-	-
Total	**198.00**	**211.40**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 43 Ratios as required under Schedule III of Companies Act, 2013

a) Current Ratio

Particulars	31st March 2026	31st March 2025	Reason for Variance > 25%
Current Asset as at	3,412.67	2,485.36	
Current Liabilities as at	4,763.96	3,646.00	
Ratio	0.72	0.68	
% Change from the Previous Year	5%		

b) Debt Equity Ratio

Particulars	31st March 2026	31st March 2025	
Total Debt as at	-	311.47	Debt repaid
Total Equity as at	14.83	470.61	
Ratio	-	0.66	
% Change from the Previous Year	-100.0%		

c) Debt Service Coverage Ratio

Particulars	31st March 2026	31st March 2025	
Profit before Tax for the year	(2,494.32)	(889.71)	Due to increase in employee benefit costs
Add : Depreciation & Amortisation for the year	608.07	558.24	
Add : Finance Cost for the year	56.25	98.75	
Earnings available for Debt Service for the year	**(1,830.00)**	**(232.72)**	
Interest Cost on Borrowings for the year	37.04	27.11	
Principal Repayments for the year	130.93	141.03	
Total	**167.97**	**168.14**	
Ratio	(10.89)	(1.38)	
% Change from the Previous Year	687%		

d) Return on Equity / Return on Investment Ratio

Particulars	31st March 2026	31st March 2025	
Profit after Tax for the year	(2,486.19)	(905.12)	Increase in ROI negative is due to the Loss for this year.
Total Equity as at	14.83	470.61	
Ratio	(167.63)	(1.92)	
% Change from the Previous Year	**8616%**		

e) Trade Receivable Turnover Ratio

Particulars	31st March 2026	31st March 2025	
Revenue from Operations for the year	8,781.44	7,828.90	
Average Trade Receivables	1,218.93	966.24	
Ratio	7.20	8.10	
% Change from the Previous Year	-11%		

f) Net Capital Turnover Ratio

Particulars	31st March 2026	31st March 2025	
Revenue from Operations for the year	8,781.44	7,828.90	
Net Working Capital as at *	(1,738.63)	(1,723.63)	
Ratio	(5.05)	(4.54)	
% Change from the Previous Year	11%		

*(Current assets - Cash and Cash equivalents) - (Current Liabilities - Short term borowings)

g) Net Profit Ratio

Particulars	31st March 2026	31st March 2025	
Profit after Tax for the year	(2,486.19)	(905.12)	Due to Increase in loss
Revenue from Operation for the year	8,781.44	7,828.90	
Ratio	(0.28)	(0.12)	
% Change from the Previous Year	144.9%		

h) Return on Capital Employed

Particulars	31st March 2026	31st March 2025	
Earnings before Interest & Tax for the year	(2,438.07)	(790.96)	Due to increase in loss as compared to previous year
Total Equity + Debt as at	14.83	782.08	
Ratio	(164.38)	(1.01)	
% Change from the Previous Year	16153.6%		

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 44 Share Based Payments

The Shareholders of the company in the Annual General Meeting held on 16th September 2022 approved the Adrenalin eSystems Limited ESOP Scheme 2022 "SARVAM". The Plan provides for the issuance of 6,000,000 Equity shares of Rs 5/- each to the employees but shall exclude independent directors an employee belonging to the promoter group or a director holding more than 10% of the share capital.

The Tenure of the scheme for Sarvam 2022 shall commence on 10th October 2022 and all the options will expire on 10th October 2031 or the date on which all the stock available for issuance under this scheme is issued, whichever is earlier.

a) The Summary of the stock options granted under the "SARVAM" scheme is given below:

Particulars	31st March 2026 No of Shares	31st March 2025 No of Shares
Outstanding at the beginning of the year	-	-
Pool size	60,00,000.00	60,00,000.00
Opening Balance of Options Granted	18,62,400.00	18,24,400
Add : Granted during the year	3,78,400.00	3,42,400
Total Options Granted as on 31st March 2026	**22,40,800.00**	**21,66,800**
Cancelled during the year	2,54,600.00	3,04,400
Exercised during the year	66,400.00	
Options available for Vesting as on 31st March 2026	**19,19,800.00**	**18,62,400**

b) The fair value of the options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants made for the year ended 31st March 2026

Date of Grant		10th Oct 2023	10th Oct 2024	10th Oct 2025	10th Oct 2026
Fair value	Rs	5.54	5.54	5.54	5.54
Expected Life		4.00	4.00	4.00	4.00
Volatility	%	44.34	44.34	44.34	44.34
Risk-free Rate	%	7.04	7.04	7.04	7.04
Dividend Yield	%	-	-	-	-
Strike price	Rs	5.00	5.00	5.00	5.00
Vest Percent	%	25.00	25.00	25.00	25.00
Call value of the option	Rs	2.54	2.54	2.54	2.54

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)
Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Joint Control Entities

Name of the Entity	Net Assets, i.e., Total assets minus total liabilities (Consolidated)		Share in Consolidated profit or loss		Share in Consolidated Other Comprehensive Income		Share in Consolidated Total Comprehensive income	
	31-03-2026		31-03-2026		31-03-2026		31-03-2026	
	As % of net assets	Amount	As % of profit or loss	Amount	As % of OCI	Amount	As % of TCI	Amount
Adrenalin eSystems Limited	251%	543.95	80%	(1,980.44)	100%	8.13	80%	(1,972.31)
Subsidiaries								
Adrenalin eSystems LLC	-166%	(358.68)	16%	(389.41)	0%	-	16%	(389.41)
Adrenalin Technologies Inc	14%	31.30	4%	(106.97)	0%	-	4%	(106.97)
	100%	**216.57**	**100%**	**(2,476.82)**	**100%**	**8.13**	**100%**	**(2,468.70)**
Adjustment arising out of Consolidation		(201.67)		(17.42)		-		(17.42)
		14.90		**(2,494.24)**		**8.13**		**(2,486.11)**

Adrenalin eSystems Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2026
(All figures are in INR Lacs unless specifically stated otherwise)

Note No 45 Additional Disclosures

a) The company has not been declared as a wilful defaulter by any bank or financial institution or other lenders as defined under the guidelines on wilful defaulters issued by the Reserve Bank of India.

b) The company has not transacted with other companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) The Company does not have Investments in other companies and hence compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 does not apply.

d) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.""

e) There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

f) The Company does not have working capital facility from banks or financial institutions sanctioned on the basis of security of current assets held during the financial year.

g) There are no charges / satisfaction yet to be registered with Registrar of Companies beyond the statutory period as prescribed under the Companies Act, 2013.

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

i) The Company does not have any transactions, which are not recorded in the books of account, 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)

j) On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits. The Labour Codes introduced changes including a uniform definition of wages which has implications on calculation of gratuity benefit to employees. The Company had assessed the financial implications of these changes which had resulted in increase in gratuity liability arising out of past service cost by Rs 2.76 crores. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature,
the Company has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the Statement of Profit & Loss for the year ended March 31 , 2026.

The Company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of liability pertaining to employee benefits.

As per our report of even date

For R.G.N. Price and Co.
Chartered Accountants
ICAI Firm Registration Number : 002785S

R.G.N. PRICE & CO
CHENNAI
CHARTERED ACCOUNTANTS

K Venkatakrishnan
Partner
Membership No : 208591

Place : Chennai
Date : 29th April 2026

For and on behalf of the Board of Directors of
Adrenalin eSystems Limited

Arun Jain
Chairman
DIN : 00580919

N Srinivasa Bharathy
CEO & Managing Director
DIN : 03601418

K.S.Subramanian
Chief Financial Officer

Aprajita Singh
Company Secretary & Legal