



Report of the auditors of NMSWorks Software Private Limited to M S K C & Associates Chartered Accountants of INTELLECT DESIGN ARENA LIMITED

INDEPENDENT AUDITOR'S REPORT

To NMSWorks Software Private Limited

Opinion

We have audited the statement of quarterly and year to date financial results of the Company for the quarter ended **March 31, 2025** and year ended March 31, 2025 of **NMSWorks Software Private Limited** (the Company). The financial results include the results for the quarter ended March 31, 2025 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2025 and the unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us.

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial results give a true and fair view of its results of operations for the year and quarter then ended in accordance with the accounting policies adopted by **Intellect Design Arena Limited** hereinafter referred to as "**the group accounting policies**".

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting

We draw attention to Note 1 to the financial results, which describes the basis of accounting. The financial results are prepared to assist the statutory auditors of **Intellect Design Arena Limited** ("the Holding Company") for the purpose of expressing an opinion on the consolidated financial results of the Holding Company.

Other Matter

The Company will prepare a separate set of financial statements for the year ended March 31, 2025 in accordance with the **Ind AS** on which a separate auditor's report was issued by **G Siva Subramanian Siva Subramanian & Rao** to the members of the Company.

Management's Responsibility for the Financial Results

The management of the Company is responsible for the preparation and presentation of the financial results that give a true and fair view of the results of operations of the Company in accordance with the group accounting policies; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The management is also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Results

CHAKRALA AND ASSOCIATES

Chartered Accountants



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

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

- Identify and assess the risks of material misstatement of the financial results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For CHAKRALA AND ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 012657S



Murali Krishna Chakrala
Proprietor
Membership Number: 210566
UDIN: 25210566BMLJJV7577

Place: Chennai
Date: 08.05.2025

NMSWorks Software Private Limited
Audited Balance Sheet as at 31 March 2025

₹ in Lakhs

PARTICULARS	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
(1) Non Current Assets			
(a) Property plant & equipment	3.1	135.84	300.05
(b) Other Intangible Assets	3.2	22.18	24.16
(c) Capital Work-In-Progress	3.4	415.05	410.36
(d) Financial Assets			
(i) Loans and advances	4.1	119.68	110.29
(ii) Other Financial Assets	4.2	1.93	1,599.91
(e) Non-Current Income Tax Assets (net)	5.1	87.47	12.23
(f) Deferred Tax Asset (Net)		302.40	244.61
Total Non Current Assets		1,084.55	2,701.61
(2) Current Assets			
(a) Inventories	6.1	320.23	320.23
(b) Financial Assets			
(i) Trade Receivables	7.1	8,080.03	9,582.28
(ii) Cash and Cash Equivalents	7.2	1,331.29	64.26
(iii) Other Financial Assets	4.2	3,154.07	1,953.72
(c) Other Current Assets	5.2	1,144.75	516.78
(d) Current Income Tax Assets (net)	5.1	558.95	73.58
Total Current Assets		14,589.32	12,510.84
Total Assets (1 + 2)		15,673.87	15,212.45
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	8.1	258.50	258.50
(b) Other Equity	9.1	11,792.18	11,515.58
Total Equity		12,050.69	11,774.09
(2) Non current Liabilities			
(a) Provisions	10.1	660.19	644.57
(b) Non-Current Income Tax liability (net)	5.1	-	-
(c) Other Non Current Liabilities	10.2	330.74	499.32
Total Non current Liabilities		990.93	1,143.89
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Loans	11.1	-	-
(ii) Trade Payable	11.2	2,129.14	990.40
(iii) Lease liabilities	11.3	25.02	173.98
(b) Provisions	10.1	96.23	70.66
(c) Current Income Tax liability (net)	10.2	-	-
(d) Other Current Liabilities	12.1	381.86	1,059.44
Total Current Liabilities		2,632.25	2,294.48
Total Liabilities (2 + 3)		3,623.18	3,438.37
Total Equity and Liabilities (1 + 2 + 3)		15,673.87	15,212.45

For CHAKRALA AND ASSOCIATES
Chartered Accountants

Murali Krishna Chakrala
Murali Krishna Chakrala
Proprietor
M.No: 210566



Place: Chennai

Date : 08.05.2025

NMSWorks Software Private Limited
Audited Statement of Profit and Loss for the period ended 31 March 2025

₹ in Lakhs

PARTICULARS	Note	For the period ended 31 March 2025	For the year ended 31 March 2024
I. Revenue			
(a) Revenue from Operations	13.1	13,838.51	12,625.84
(b) Other income	14.1	186.73	127.16
Total Income		14,025.24	12,753.00
II. Expenses			
(a) Cost of materials consumed	15.1	-	-
(b) Changes in inventories of FG, WIP and Stock-in-trade	15.2	-	-
(c) Employee benefit expense	15.3	5,948.93	5,465.24
(d) Finance costs	15.4	13.65	19.14
(e) Depreciation and amortisation expense	3.3	186.11	183.94
(f) Other expenses	15.5	7,436.51	5,134.37
Total Expenses		13,585.20	10,802.69
III. Profit before Tax (I - II)		440.04	1,950.30
IV. Tax expense			
- Current Tax	19	240.00	554.80
- 'Reversal of excess previous year Income Tax Provision			
- Deferred Tax		-57.80	-124.55
V. Profit after Tax (III - IV)		257.83	1,520.05
VI. Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		-18.77	-11.08
Total other comprehensive income / (loss) for the Year		-18.77	-11.08
VII. Total comprehensive income for the Year (V + VI)		276.60	1,531.14
VIII. Earnings per equity share of Rs. 10 each (face value)	16.4		
(a) Basic (in Rs.)		10.70	59.23
(b) Diluted (in Rs.)		10.70	59.23

For CHAKRALA AND ASSOCIATES
Chartered Accountants


Murali Krishna Chakrala
Proprietor
M.No: 210566



Place: Chennai
Date : 08.05.2025

NMSWorks Software Private Limited
Cash Flow Statement for the period ended 31 March 2025

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Cash flow from operating activities		
Net Profit after Tax	276.60	1,531.14
Adjustments for:		
Income Taxes	182.20	430.25
Depreciation and amortisation expense	186.11	183.94
Other comprehensive income	-18.77	-
Finance Costs	13.65	19.14
Interest income	-171.19	-107.32
Operating cash flow before working capital changes	468.61	2,057.15
<i>Adjustments for:</i>		
(Increase) / decrease in trade receivables	1,502.25	-1,423.94
(Increase) / decrease in Loans, Other Financial Assets and Other Assets	250.26	83.28
Increase / (decrease) in trade payables	1,138.74	559.93
Increase / (Decrease) in other current and non-current liabilities and Provisions	-1,581.90	-574.32
Cash generated used in operations	1,777.95	702.10
Income taxes paid	-781.84	-607.66
Net cash generated by operating activities	996.11	94.43
(b) Cash flow from investing activities		
Capital Expenditure on Property, plant and equipment	-24.61	-85.30
Interest Received on Fixed Deposit	171.19	107.32
Net cash (used in) investing activities	146.57	22.02
(c) Cash flow from financing activities		
Finance costs paid on borrowings	-13.65	-19.14
Net cash provided / (used in) financing activities	-13.65	-19.14
Net increase in cash and cash equivalents (A+B+C)	1,129.04	97.31
Cash and cash equivalents at the beginning of the year	2,527.13	2,429.81
Cash and cash equivalents at the end of the year	3,656.17	2,527.13
Cash and cash equivalents		
Cash on Hands	0.10	0.10
Balances with banks		
- in current accounts	281.19	64.16
- in deposits (with original maturity of 3 months or less)	1,050.00	-
(Remaining maturity between 3 months to 12 months from the reporting date)	2,322.96	862.96
Bank deposits (Remaining maturity of more than 12 months from the reporting date)	1.93	1,599.91
	3,656.17	2,527.13

See accompanying notes to the Audited financial statements

For **CHAKRALA AND ASSOCIATES**
Chartered Accountants

Murali Krishna Chakrala

Murali Krishna Chakrala
Proprietor
M.No: 210566



Place: Chennai
Date : 08.05.2025

NMSWorks Software Private Limited
Audited Statement of Change in Equity for the period ended 31 March 2025

A. Equity share capital

For the year ended 31st March 2025

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
25,850,340	-	-	-	25,850,340

For the year ended 31st March 2024

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
25,850,340	-	-	-	25,850,340

B. Other Equity

Particulars	Reserves and Surplus				Total
	Securities Premium	Capital reserve	Retained Earnings	Other Comprehensive Income	
Balance as at 31 March 2022	888.12	0.71	9,084.28	11.33	9,984.45
Profit for the year	-	-	1,520.05	11.08	1,531.14
Remeasurements of the defined benefit plans	-	-	-	-	-
Balance as at 31 March 2023	888.12	0.71	10,604.33	22.41	11,515.58
Profit for the year	-	-	257.83	-	257.83
Remeasurements of the defined benefit plans	-	-	-	-18.77	-18.77
Balance as at 31 March 2024	888.12	0.71	10,862.16	41.18	11,792.18
Profit for the year	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	-
Balance as at 31 March 2025	888.12	0.71	10,862.16	41.18	11,792.18

See accompanying notes to the Audited financial statements

For CHAKRALA AND ASSOCIATES
Chartered Accountants

Murali Krishna Chakrala
Proprietor
M.No: 210566



Place: Chennai

Date : 08.05.2025

NMSWorks Software Private Limited
Audited Statement of Change in Equity for the period ended 31 March 2025

1 Corporate information

NMSWorks Software Private Limited ("the Company") was incorporated on 09th April 2001. It's a Information Technology based services company based in Chennai, India. The company provides software solutions, IT and Office Automation products, Maintenance services and telecommunications system including Networking systems

2 Significant accounting policies

2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS" notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2018.

For periods up to and including the year ended March 31, 2019, the Company has prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies, Act, 2013 read together with paragraph 7 of Companies Rules, 2014 ("Indian GAAP"). The date of transition to Ind AS is April 1, 2017.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair values and defined benefit plan - plan assets measured at fair value at the end of each reporting period, as explained in the accounting policies below:-

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would consider those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

2.3 Use of estimates and judgement

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. It is in respect of percentage of completion of contracts and recognition of probable loss, useful lives of property, plant and equipment, provision for income tax and valuation of deferred tax assets, provision for warranty and other provisions and contingent liabilities.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and 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. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

2.4 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is primarily derived from software development and related services and from the licensing of software products. Arrangements with customers for software development and related services are either on a fixed-price, fixed time frame or on a time-and-material basis.

Revenue from fixed-price and fixed-time frame contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized based upon the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability revenue recognition is postponed until such uncertainty is resolved. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings is classified as unearned revenue. Unbilled revenue is being recognised based on percentage completion method as determined by the management. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

Annual Technical Services revenue and revenue from fixed-price maintenance Contracts are recognized ratably over the period in which services are rendered. Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts, which require significant implementation services, where revenue for the entire arrangement is recognized over the implementation period based upon the percentage-of completion method. Revenue from client training, support and other services arising due to the sale of software products is recognized as the related services are performed.

Sale of goods

Sales are recognized on transfer of the risk and rewards in the goods. Sales returns are recognized as and when ascertained and are reduced from the sales turnover of the year. Sales are net of Sales Tax and Goods & Service Tax.



Other income

Interest income is accounted on accrual basis.

Dividend income is accounted for when the right to receive it is established.

Income in respect of export incentives arising from export sales are recognised in the year of exports when the certainty of realisation of the incentive is established.

2.5 Foreign currencies

The functional currency of the Company is Indian Rupees.

Transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such restatement is dealt with in the Statement of Profit and Loss.

Transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such restatement is dealt with in the Statement of Profit and Loss.

2.6 Leases

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term

Assets taken on finance lease are capitalized, while lease charges on assets taken on operating lease are expensed.

2.7 Employee benefits

Employee benefits include contribution to provident fund, superannuation fund, gratuity fund, compensated absences and employee state insurance scheme.

Retirement benefit cost and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Liabilities for gratuity funded in terms of a scheme administered by the life insurance corporation of India are determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognized in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Defined contribution plan

Contribution to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the NMSWorks Software Private Limited Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

Leave Encashment

As per the present policy of the company the employees are required to compulsorily avail the annual leave and encashment of unavailed leave is not allowed.



2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax ("MAT") paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.9 Property, plant and equipment

Property, plant and equipment are stated at costs less accumulated depreciation (other than freehold land) and impairment loss, if any.

The cost includes purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Lease rentals and premium for lease hold are amortized over the primary lease period.

Depreciation is provided for property, plant and equipment on the straight-line method over the estimated useful life from the date the assets are ready for intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Software Product Development costs are expensed as incurred until technological feasibility is established. Software development costs incurred subsequent to the achievement of technological feasibility are deferred and expensed over the useful life of the products. This deferment is done only if the company has the intention and ability to complete the Product, the product is likely to generate future economic benefits, adequate resources to complete the product are available to the company and if the company is able to accurately measure such expense. Such Software development costs comprise expenditure that can be directly attributed, are allocated on a reasonable and consistent basis, to the development of the product.

The Core products are depreciated for a period of 15 years and other versions are for a period of sixty Months. The depreciation period and the depreciation method is reviewed at each period end. If, the expected useful life of the product is different from previous estimates, the amortization period is changed accordingly.

Management estimates the useful lives for the other fixed assets as follows:

Office equipment	5 years
Computer equipment	3 years
Furniture and fixtures	10 years
Vehicles	10 years

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

The capital work- in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

Intangible assets are amortized on a straight line basis over their estimated useful lives from the date that they are available for use.

The estimated useful lives of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.



A handwritten signature in blue ink, appearing to be "C.P.S." with a flourish.

2.11 Impairment

Financial assets (other than a fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment in each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

2.12 Inventory

Items of inventory are valued at lower of cost and net realizable value. Cost of raw materials, stores and spares, packing material and traded goods is determined on weighted average basis. In case of work-in-process and finished goods, cost includes an appropriate proportion of cost of conversion. The value of finished goods includes excise duty as applicable.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for warranty is based on past technical experience on estimated basis.

2.14 Investment

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.15 Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A) Financial assets

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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Financial assets at fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognized in statement of profit and loss.

Foreign exchange gains and losses

The fair value of foreign assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For the foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in statement of profit and loss.

B) Financial liabilities and Equity**Financial liabilities at amortized cost**

Financial liabilities are measured at amortized cost using effective interest method.

Borrowings & Security Deposits

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized in profit or loss over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Equity instruments

An equity instrument is contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in "Other income"

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in the profit and loss.

2.16 Earnings per share (EPS)

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

3.1 Property plant & equipment : -

Particulars	Amounts
Carrying amounts of :	
Vehicles	-
Office equipment	4.91
Furniture and fixtures	84.32
Right to use asset	156.50
Computers	74.25
Total	319.97

(i) Details of movement in the carrying amounts of Property, plant and equipment :

Particulars	₹ in Lakhs					
	Furnitures & Fixtures	Vehicles	Office Equipments	Right to use asset	Computers	Total
Balance as at 31 March 2023	189.68	7.06	30.33	404.64	351.13	982.84
Additions	4.83	-	3.08	-	45.05	52.95
Disposals / Adjustments during the year	-	-7.06	-	-	-	-7.06
Balance as at 31 March 2024	194.51	-	33.40	404.64	396.18	1,028.73
Additions	19.36	-	0.57	-	-	19.93
Disposals / Adjustments during the year	-	-	-	-	-	-
Balance as at 31 March 2025	213.87	-	33.97	404.64	396.18	1,048.65
(b) Accumulated depreciation						
Balance as at 31 Mar 2023	119.50	7.06	28.45	113.26	285.50	553.78
Depreciation for the year	10.04	-	0.61	134.88	36.43	181.96
Accumulated depreciation on disposals	-	-7.06	-	-	-	-7.06
Balance as at 31 Mar 2024	129.54	-	29.06	248.14	321.93	728.68
Depreciation for the year	10.29	-	1.02	134.88	37.94	184.13
Accumulated depreciation on disposals	-	-	-	-	-	-
Balance as at 31 Mar 2025	139.83	-	30.09	383.02	359.87	912.81
Net carrying value as at 31 March 2025	74.03	-	3.89	21.62	36.31	135.84
Net carrying value as at 31 March 2024	84.32	-	4.91	156.50	74.25	300.05



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NMSWorks Software Private Limited

Audited Notes to financial statements for the period ended 31 March 2025

3.20 Other Intangible Assets :

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Carrying amounts of :		
Other Intangible Assets	22.18	24.16
Total	22.18	24.16

(i) Details of movement in the carrying amounts of other intangible assets

₹ in Lakhs

Particulars	Software	Total
(a) Cost		
Balance as at 31 March 2023	918.64	918.64
Additions	-	-
Disposals / Adjustments during the year	-	-
Balance as at 31 March 2024	918.64	918.64
Additions	-	-
Disposals / Adjustments during the year	-	-
Balance as at 31 March 2025	918.64	918.64
(b) Accumulated depreciation		
Balance as at 31 March 2023	892.50	892.50
Depreciation for the year	1.98	1.98
Accumulated depreciation on disposals	-	-
Balance as at 31 March 2024	894.48	894.48
Depreciation for the year	1.98	1.98
Accumulated depreciation on disposals	-	-
Balance as at 31 March 2025	896.46	896.46
Net carrying value as at 31 March 2025	22.18	22.18
Net carrying value as at 31 March 2024	24.16	24.16
Net carrying value as at 31 March 2023	26.14	26.14



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3.30 Depreciation and Amortisation Expense

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on Property, plant & equipment	184.13	181.96
Amortisation of Intangible Assets	1.98	1.98
Total	186.11	183.94

3.40 Capital work in progress

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	263.33	233.48
OTDR Project	-	-
Add: OTDR additions during the year	1.71	20.99
ADC Project during the year		8.86
Total	265.05	263.33

5G Management

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	147.03	144.53
5G Management Project	12.97	12.50
Less: Grant received from M/s. Telecom Centres of Excellence India		10.00
		-
Less: Project Capitalized during the year	10.00	-
Total	150.00	147.03
Grand total	415.05	410.36

The Department of Telecommunications (DoT), Ministry of Communications, Government of India, New Delhi-110001 has launched a Scheme called Digital Communication Innovation Square (DCIS) under Champion Services Sector Scheme (CSSS) specifically to support Startups, Micro Small and Medium Enterprises (MSMEs) and young innovators for scaling their prototype.

NMSWorks has conceived a Project entitled 5G Management and Orchestration with Machine Learning Based Analytics and NMSWorks agreed to invest to this project a sum of ₹ 2 crores of which DCIS scheme grants ₹ 50 lakhs.



NMSWorks Software Private Limited

Audited Notes to financial statements for the period ended 31 March 2025

4.1 Financial Assets - Loans (at amortised cost)

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
<u>Non-current</u>		
Security Deposits	119.68	110.29
Total Non-current	119.68	110.29
<u>Current</u>		
Security Deposits	-	-
Total Current	-	-

4.2 Other Financial Assets (at amortised cost)

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
<u>Non-current</u>		
Bank deposits (Remaining maturity of more than 12 months from the reporting date)	1.93	1,599.91
Total Non-current	1.93	1,599.91
<u>Current</u>		
Interest accrued on fixed deposits	122.90	81.62
Unbilled revenue	708.21	1,009.14
Tender deposits	-	-
Bank deposits (Remaining maturity between 3 months to 12 months from the reporting date)	2,322.96	862.96
Total Current	3,154.07	1,953.72

5.1 Non-Current Income Tax Assets (net)

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Income tax payments made against returns filed /demands received	4,540.63	3,910.60
Less: Provisions made	-4,453.16	-3,898.36
Total	87.47	12.23



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Current Income Tax Assets (net)

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Advance tax and TDS receivables	798.95	628.38
Less: Provisions made	-240.00	-554.80
Total	558.95	73.58

5.2 Other Assets

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
<u>Non-current</u>		
Capital Advances	-	-
Balance with Government Authorities	-	-
Prepayment	-	-
Total Other Non-current Assets	-	-
<u>Current</u>		
Balance with Government Authorities		
Prepayment	1,122.43	478.09
Advances to employees	22.32	38.69
	1,144.75	516.78
Total Other Current Assets	1,144.75	516.78



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NMSWorks Software Private Limited**Audited Notes to financial statements for the period ended 31 March 2025****6.1 Inventories**

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Inventories: (Valued at Cost)		
Raw Materials	-	-
Finished Goods	320.23	320.23
Work In Progress	-	-
Total	320.23	320.23

7.1 Trade Receivables

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Current - Unsecured		
- considered good	8,773.53	9,825.50
- considered doubtful		
Less: Allowance for expected credit losses	-693.50	-243.22
Total	8,080.03	9,582.28

7.2 Cash and Cash Equivalents

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Cash on hand	0.10	0.10
Balances with Banks		-
- in current accounts	281.19	64.16
- in deposits (with original maturity of 3 months or less)	1,050.00	-
Total	1,331.29	64.26



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NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

8.1 Equity Share Capital

₹ in Lakhs

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Authorised Share Capital :				
50,00,000 Equity shares of Rs. 10/ each	5,000,000	500	5,000,000	500
Issued, subscribed and paid up Capital comprises :				
25,85,034 Equity Shares (Previous Year 2023-2024 25,85,034) of Rs.10 each fully paid up.	2,585,034	259	2,585,034	259
Total	2,585,034	259	2,585,034	259

Notes:

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

₹ in Lakhs

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
At the commencement and end of the year	2,585,034	258.50	2,585,034	258.50
Shares issued / converted during the year	-	-	-	-
Call money received on unpaid share				
At the end of the year	2,585,034	258.50	2,585,034	258.50

8.3 Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.



NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

9.1 Other Equity

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Securities Premium Reserve (Refer Note 9.2 below)	888.12	888.12
Capital Reserve (Refer Note 9.3 below)	0.71	0.71
Retained Earning (Refer Note 9.4 below)	10,862.16	10,604.33
Total Reserves and Surplus	11,751.00	11,493.17
Remeasurements of the defined benefit obligations	41.18	22.41
Total Other Comprehensive Income	41.18	22.41
Total Other Equity	11,792.18	11,515.58

9.2 Securities Premium Reserve

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	888.12	888.12
Add : Premium on Shares issued during the Year	-	-
Closing balance	888.12	888.12

9.3 Capital Reserve

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	0.71	0.71
Add : Premium on Shares issued during the Year	-	-
Closing balance	0.71	0.71

9.4 Retained Earnings

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	10,604.33	9,084.28
Add /(Less): Adjustments for OCI		
Add: Profit for the year	257.83	1,520.05
Closing balance	10,862.16	10,604.33

9.5 Remeasurement of net defined benefit obligations

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	22.41	11.33
Add /(Less): Other comprehensive income / (loss) for the year (net of income tax) of previous year		
Add /(Less): Other comprehensive income / (loss) for the year (net of income tax)	18.77	11.08
Closing Balance	41.18	22.41



NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

10.1 Provisions

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
<u>Non-current</u>		
Provision for employee benefits:		
Provision for gratuity	449.28	523.22
Provision for Leave Encashment	210.91	121.35
Total	660.19	644.57
<u>Current</u>		
Provision for gratuity	96.23	70.66
Total	96.23	70.66

10.2 Other Non Current Liabilities

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Deferred Revenue on Warranty	330.74	499.32
Total	330.74	499.32



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NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

Financial Liabilities-Borrowings (Current)

11.1 Loan (Current)

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Secured Borrowings:		
Working Capital Loans from Banks	-	-
Total	-	-

11.2 Trade Payable

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Dues of Micro Enterprises and Small Enterprises	-	-
Dues of Creditors Other than Micro Enterprises and Small Enterprises	2,129.14	990.40
Total	2,129.14	990.40

11.3 Lease liabilities

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Lease liabilities	25.02	173.98
Total	25.02	173.98

12.1 Other Current Liabilities

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	343.25	459.56
Deferred Revenue on Warranty	-	-
Other Payables	38.60	20.69
Billing in excess of revenue	-	579.19
Total	381.86	1,059.44



NMSWorks Software Private Limited**Audited Notes to financial statements for the period ended 31 March 2025****13.1 Revenue from Operations**

	₹ in Lakhs	
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of services		
-Revenue From Software Service	6,717.21	4,350.63
-Revenue From Software Products	4,229.52	6,280.86
	10,946.73	10,631.49
Sale of Hardware Products	2,891.78	1,994.35
Total	13,838.51	12,625.84

13.2 Break-up of Revenue from Sale of Products and Services:

	₹ in Lakhs	
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<u>Sale of Services</u>		
Revenue from software services		
-Export	-	2,281.35
-Domestic	6,717.21	2,069.28
	6,717.21	4,350.63
Revenue from Software products		
-Export	-	1,582.32
-Domestic	4,229.52	4,698.54
	4,229.52	6,280.86
<u>Sale of Products</u>		
Revenue from Sale of Hardware products		
-Export	-	-
-Domestic	2,891.78	1,994.35
	2,891.78	1,994.35
Total	13,838.51	12,625.84



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NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

14.1 Other Income

	₹ in Lakhs	
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Interest income on fixed deposits	171.19	107.32
(b) Net Gain on Foreign Exchange Transactions and Translation	7.83	12.22
(c) Miscellaneous Income	7.72	7.62
Total	186.73	127.16

15.1 Expenses

	₹ in Lakhs	
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cost of Raw Materials Consumed:		
Opening stock	-	-
Purchases	-	-
Total	-	-
Less: Raw Materials Consumed transferred to FG		
Closing Stock	-	-

15.2 Changes in inventories of finished goods and work-in-progress:

Inventories at the end of the year		
Finished Goods	320.23	320.23
Work-in-progress	-	-
	<u>320.23</u>	<u>320.23</u>
Inventories at the beginning of the year		
Finished Goods	320.23	320.23
Work-in-progress	-	-
	<u>320.23</u>	<u>320.23</u>
	-	-

	₹ in Lakhs	
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Employee benefit expense		
(a) Salaries, wages and bonus	5,357.32	4,910.20
(b) Contribution to provident and other funds (Refer Note 31)	362.88	357.01
(c) Staff welfare expenses	228.73	198.02
Total	5,948.93	5,465.24



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NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

15.4 Finance Cost

₹ in Lakhs		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Interest expense	13.65	19.14
Total	13.65	19.14

15.5 Other Expenses

₹ in Lakhs		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cost of technical sub-contractors	959.80	910.61
Cost of software packages and others	1,796.28	1,906.32
Boughtout software expenses	-	387.99
Cloud charges	2,821.55	1,348.36
Rent	12.47	9.37
Travelling and Conveyance	216.58	235.38
Maintenance Expenses	42.28	92.87
Business Promotion Exp	11.45	1.38
Professional fees	13.40	26.85
Electricity Charges	32.91	29.87
Membership & Subscription Fees	13.97	4.24
Bank Charges	1.18	27.66
Communication Expenses	15.11	16.23
Hire Charges	0.94	0.92
Misc Expenses	65.90	68.32
Bad Debts written off	887.33	0.61
Provision for doubtful debts	693.50	-
Reversal of provision for doubtful debts	-243.22	-
Payment to Auditor (Refer note below)	5.35	6.00
Printing and Stationery	3.20	3.24
Rates & Taxes	24.55	8.43
Security Charges	24.50	11.39
CSR expenditure	37.50	38.35
Total	7,436.51	5,134.37

₹ in Lakhs		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
15.6 As auditor		
Statutory audit	4.00	4.00
Tax audit	1.00	1.00
Other Services	0.35	4.42
Reimbursement of expenses	-	-
Total	5.35	9.42



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16.1 Additional information to the financial statements for the period ended 31 March 2025

16.2 Contingent liabilities and commitments

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
(i) Contingent Liability		
(a) Bank guarantees in the nature of Financial guarantees (backed up by Fixed deposits) as at March 31, 2025	-	1,205.61
	-	-
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL

16.3 Segment Reporting

The Company is engaged in the business of providing Software Products and Services. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Marker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business / operating segment, i.e. the business of providing Software Products and Services

As the allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations, no separate segments have been identified. Accordingly, the amounts appearing in these financial statements relate to this operating segment.

Geographical Information

The Company has operations within India as well as in other countries. The operations in India constitute the major part of the operations. Management has reviewed the geographical areas vis-à-vis the risks and returns that encompass them. While arriving at this, management has reviewed the similarity of the economic and political conditions, relationships between operations in these geographical areas, proximity of operations, and special risks if any associated with operations in these areas.

Particulars	Revenue from external customers		Non- Current Assets *	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Middle East	-	316.62		
Bhutan	-	-		
Macao	28.99	53.95		
Europe	-	-		
Indonesia	-	44.22		
Japan	-	-		
Mauritius	-	-		
Nepal	-	-		
Russia	-	-		
Africa	563.72	513.69		
Malaysia	121.80	-		
Thailand	-	-		
United States of America	3,174.62	1,926.04		
India	9,949.37	9,771.31	692.75	844.86
Unallocated	-	-	391.79	1,856.75
Total	13,838.51	12,625.84	1,084.55	2,701.61

* Non current assets excludes loans and other financial assets



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NMSWorks Software Private Limited
Audited Notes to financial statements for the period ended 31 March 2025

16.4 Earnings per share (EPS)

Basic and Diluted earnings per share :

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Net Profit attributable to Equity Shareholders - (Basic and Diluted)	276.60	1,531.14
Weighted Average Number of Equity Shares (Face Value Rs. 10 Each)- Basic and Diluted (Nos.)	25.85	25.85
Earnings per share - Basic and Diluted - Rs.	10.70	59.23

16.5 Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24

16.6 Names of Related Parties and Nature of Relationship

Description of Relationship	As at 31 March 2025	As at 31 March 2024
Intellect Design Arena Limited	Share holder	Share holder
Key Managerial Person		
K. Vijayan Nair	Director	Director
Prof. Ashok Jhunjunwala	Director	Director
Transaction		
Directors Remuneration paid to K. Vijayan Nair	-	197.41
Sitting fees to Prof. Ashok Jhunjunwala	2.00	2.00

Note: Related party relationships are as identified by the Management and relied by the auditors.



NMSWorks Software Private Limited**Audited Notes to financial statements for the period ended 31 March 2025****17.1 Employee benefits****17.2 Defined Contribution Plan**

(a) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Expenses Recognised

₹		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Included under 'Contributions to Provident and Other Funds' (Refer Note 15.3)		
Contributions to provident and pension funds	207.08	201.60
Contributions to Employee State Insurance	0.58	0.58

17.3 Compensated Absences (Funded)

₹		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Included under " Contribution to provident and other funds" (Refer Note 15.3)	-	-

₹		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(b) Net asset / (liability) recognised in the Balance Sheet	-	-
Current portion of the above	-	-
Non - current portion of the above	-	-



The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount Rate (% p.a)	-	0.00%
Future Salary Increase (% p.a)	-	0.00%

17.4 Defined Benefit Plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2023. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Amounts recognised in statement of Profit & Loss in respect of these defined benefit plans are as		
Service Cost		
- Current Service Cost	61.98	59.03
- Past Service Cost	-	-
- Net interest expense	41.68	38.89
Components of defined benefit costs recognised in statement of profit or loss (A)	103.66	97.92
Actuarial (gain)/loss on Plan Obligations	-18.77	-11.08
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss		-
Components of defined benefit costs recognised in other comprehensive income (B)	18.77	11.08
Total	84.89	86.83



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- (i) The current service cost and interest expense for the year are included in the Note 23 - Employee Benefit Expenses in the statement of profit & loss under the line contribution to provident and other funds.
- (ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
I. Net (Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	645.51	593.88
Fair value of plan assets	100.00	-
Net (Liability) recognised in the Balance Sheet	-	-
Current portion of the above	96.23	70.66
Non current portion of the above	449.28	523.22

(c) Movement in the present value of the defined benefit obligation are as follows :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	593.88	507.04
Expenses Recognised in Profit and Loss Account		
- Current Service Cost	61.98	59.03
- Past Service Cost	-	-
- Interest Expense	41.68	38.89
Remeasurement (gains) / losses		
- Actuarial Gain (Loss) arising from:		
Benefit payments	-33.26	-
Present value of defined benefit obligation at the end of the year	645.51	593.88

- (i) The weighted average duration of the benefit obligation at 31 March 2023 is 11.44 years (As at 31 March 2022 is 13.95 years).



(d) Movement in fair value of plan assets are as follows :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Change in fair value of assets during the year		
Fair value of plan assets at the beginning of the year	-	-
Expenses Recognised in Profit and Loss Account	-	-
- Expected return on plan assets	-	-
Remeasurement gains / (losses)	-	-
- Actuarial gains/(loss) arising form changes in financial assumptions	-	-
Contributions by employer (including benefit payments recoverable)	-	-
Benefit payments	-	-
Fair value of plan assets at the end of the year		-

(e) The principal assumptions used for the purpose of actuarial valuation were as follows :

Investment/ Interest Risk:

Since the gratuity is not funded investment / interest risk is not reported.

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.



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The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.84%	7.22%
Expected rate of salary increase	7.00%	7.00%
Expected return on plan assets	7.22%	0.00%
Withdrawal Rate	10.00%	10.00%
Expected average remaining working life	28.56	28.56
Mortality	Indian Assured Lives Mortality(2012-14)	Indian Assured Lives Mortality(2012-14)

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.
2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Sensitivity Analysis

The benefit obligation results of a such a scheme are particularly sensitive to discount rate, longevity risk, salary growth and employee attrition, if the plan provision do provide for such increases on commencement of pension.

The following table summarizes the impact in financial terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these four key parameters:

Impact on the Defined benefit Obligation	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Discount Rate		
- Increase by 100 bps	-50.65	-46.16
- Decrease by 100 bps	59.85	54.62
	-	-
(b) Salary Growth Rate		
- Increase by 100 bps	36.16	32.61
- Decrease by 100 bps	-34.75	-31.72
	-	-
(c) Attrition Rate		
- Increase by 100 bps	3.17	5.08
- Decrease by 100 bps	-3.54	-5.72



These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior
(i) Experience Adjustments *

Experience Adjustments	For the year ended 31 March 2025	For the year ended 31 March 2024
Defined Benefit Obligation	645.51	594
Fair value of plan assets	100.00	-
Surplus/(Deficit)	-545.51	(594)
Experience adjustment on plan liabilities [(Gain)/Loss]	18.77	11
Experience adjustment on plan assets [Gain/(Loss)]	-	-

* Experience adjustments related to prior years have been disclosed based on the information to the extent available.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



21 Intangible assets under development**Capital Work In Progress (Optical Time Domain Reflectometer "OTDR" Asset)**

OTDR Development with the support of IIT Madras was initiated in FY 2016-17. OTDR is a related Technology that could give NMSWorks an advantage in the Optical Network Management Space. OTDR is an "Appliance"; means HW+SW. OTDR is a sophisticated technology; there are only handful of Manufacturers across the Globe. OTDRs are imported by the Indian Telecom Service Providers. There is a market for New deployments and Replacement deployments, both within India and outside India. The OTDR Product for connecting Optical Fiber with 120 KMs of length has been developed and tested in the Lab environment in the month of Jan 2021. OTDR development led to development of more than one related secondary products that uses some of the Core components of the HW and SW.

OTDR Project

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	212.13	191.14
Transfer to CWIP during the year	1.71	20.99
Capitalized during the year	-	-
Closing Balance	213.84	212.13

Analog to Digital Conversion

The Cygnet RTU lies at the core of the NMSWorks Network Monitoring System to monitor the Power feed Equipment which supplies power to the submerged repeaters on optical fibre submarine cable systems. The ADC will monitor the high voltages, current, Ground Voltage and Ground current generated from the power feed equipment. The monitored voltages/current will be sent to a centralized monitoring platform.

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	51.20	42.34
Transfer to CWIP during the year	-	8.8575
Capitalized during the year	-	-
Closing Balance	51.20	51.20

DCIS Project funded by TCoE

The Management and Orchestration product enables comprehensive element and network management along with resource and service orchestration capabilities across the entire spectrum of 5G network components and systems.

It will comply with global standards from 3GPP, O-RAN alliance, ETSI and TSDSI and ensure smooth interoperability.

It will support advanced analytics features using machine learning to proactively predict network performance degradation and achieve service quality and resource optimization.

It will also support service lifecycle management and resource orchestration and provide integration with third party systems including OSS/BSS, VIM etc. Being an indigenously developed product, it enables a secure and effective management system for defence, public safety, railways, utilities and other industries expected to use 5G.



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Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	147.03	144.53
5G Management Project	12.97	12.50
Less: Grant received from M/s. Telecom Centres of Excellence India	10.00	10.00
Less: Capitalized during the year		-
Closing Balance	150.00	147.03

For Capital-work-in progress, following ageing schedule shall be given:

CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
For OTDR	1.71	24.49	-	187.64	213.84
For ADC	-	15.84	4.46	30.90	51.20
For 5G Management	2.97	147.03			150.00

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Project 1	-	-	-	-	-

22 Title deeds of Immovable Property not held in name of the Company

Company does not have any immovable property other than Company name

23 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

24 Submission of details to the bank on account of loan

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

25 Relationship with Struck off Companies


Company does not have any transaction with struck off companies

26 Registration of charges or satisfaction with Registrar of Companies

No charges are yet to be registered with Registrar of Companies beyond the statutory period.



- 27 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 28 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group/Company shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 29 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- 30 **Wilful Defaulter**
The company has not defaulted any payments to bank or financial Institution or other lender. Hence, the Company is not wilful defaulter.
- (a) Date of declaration as wilful defaulter Not Applicable
- (b) Details of defaults (amount and nature of defaults), Not Applicable
- 31 **Key ratios**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024	Variance
	Rs.	Rs.	Rs.
(a) Current Ratio	5.54	5.45	1.6%
- Current Assets	14,589	12,511	
- Current Liabilities	2,632	2,294	
(b) Debt-Equity Ratio	-	-	-
- Total Debt	-	-	
- Shareholders Equity	12,051	11,774	
(c) Debt Service Coverage Ratio	-	-	-
-Earnings available for debt service	426	1,931	
-Debt Service	-	-	
(d) Return on Equity Ratio	107.00	592.31	-81.9%
- Net Profits after taxes	277	1,531	
- Average Shareholder's Equity	259	259	
(e) Inventory turnover ratio			
- Cost of Goods Sold or Sales			
- Average Inventory			
			

(f) Trade Receivables turnover ratio	1.71	1.32	30.0%
- Net Credit sales	13,839	12,626	
- Average Trade Debtors / Accounts receivable	8,080	9,582	
(g) Trade payables turnover ratio,	3.49	5.18	-32.6%
- Net Credit Purchases	7,437	5,134	
- Average Trade Payables	2,129	990	
(h) Net capital turnover ratio,	1.16	1.24	-6.4%
- Net Sales	13,839	12,626	
- Average Working Capital	11,957	10,216	
(i) Net profit ratio,	3.18	15.45	-79.4%
- Net profit	440	1,950	
- Net Sales	13,839	12,626	
(j) Return on Capital employed,	0.03	0.15	-78.1%
- Earnings Before Interest and tax	426	1,931	
- Capital employed	13,042	12,918	
(k) Return on investment.	0.16	0.07	142.6%
Income generated from investments	171	107	
Average investments	1,052	1,600	

32 Corporate Social Responsibility (CSR)

(a) amount required to be spent by the company during the year,	37.44
(b) amount of expenditure incurred for FY 24-25	37.50
(c) shortfall at the end of the year,	-
(d) total of previous years shortfall,	-
(e) reason for shortfall,	-
(f) nature of CSR activities,	Promoting educations and contribution to Incubators

(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard, No such instances

(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. No such instances

33 Previous Year's Figures

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

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