

Date: 05.09.2024

M/s National Stock Exchange of India Ltd.

Exchange Plaza

Plot No. C/1, G Block

Bandra Kurla Complex

Bandra (E), Mumbai-400051

Ph.: 022-26598100-8114

**Scrip Code: CRAYONS**

**Sub: Submission of Annual Report of the Company for the Financial Year 2023-24 pursuant to Regulation 34 of the Securities and Exchange of India(Listing Obligation and Disclosure Requirement) Regulation, 2015 (Listing Regulations).**

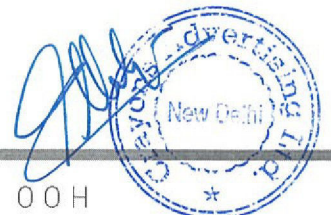
Dear Sir/Ma'am,

In terms of Regulation 34(1) of the Securities and Exchange of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, find enclosed the Annual Report for the Financial Year 2023-24 along with the Notice of the Annual General Meeting ("AGM") being dispatched to Members of the company through electronic mode whose e-mail I'd are registered with company/ Depository ("DP")/Registrar and Transfer Agent ("RTA").

The 38<sup>th</sup> Annual General Meeting ("AGM") of the company will be held on Monday, 30<sup>th</sup> September, 2024 at 02:30 P.M. (IST), through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the General Circular No. 20/2020 Dated May 5, 2020 read with General Circular No. 14/ 2020 dated April 8, 2020, General Circular NO. 17/2020 dated April 13, 2020 and General Circular No, 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 further SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 Dated January 15,2021 issued by Securities and Exchange Board of India ("SEBI")

In Pursuance of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose Annual Report for the Financial Year 2023-24.

The Annual Report of the company is also available on the website: [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com).



You are requested to please take the same in your record.

Thanking You,

Yours Sincerely,

For Crayons Advertising Limited

(Formerly known as Crayons Advertising Private Limited)

.....  
Gagan Mahajan  
Compliance Officer





ANNUAL REPORT  
2023-24

THE  
**crayons**  
NETWORK

CREATIVELY INDEPENDENT SINCE 1986

**Managing Director & Chairman**

Mr. Kunal Lalani

**Non-Executive Directors**

Mrs. Vimi Lalani

Mr. Hulas Mal Lalani

Mr. Atul Jeevandhar kumar Hegde

**Non-Executive Independent Directors**

Mr. Vinod Zutshi

Mr. Surendra Kumar Pagaria

**Chief Financial Officer**

Mr. Rajat Singhal

**Company Secretary and Compliance Officer**

Mr. Gagan Mahajan

**Statutory Auditors**

M/s S.S. Kothari Mehta & Company

**Secretarial Auditor**

M/s Vasisht & Associates (Practising Company Secretary)

**Registrar and Transfer Agent**

M/s Skyline Financial Services Private Limited

**Registered Office**

NSIC Complex, Maa Anandmayee Marg,

Okhla Phase-III, New Delhi-110020

Ph: +011-41630000

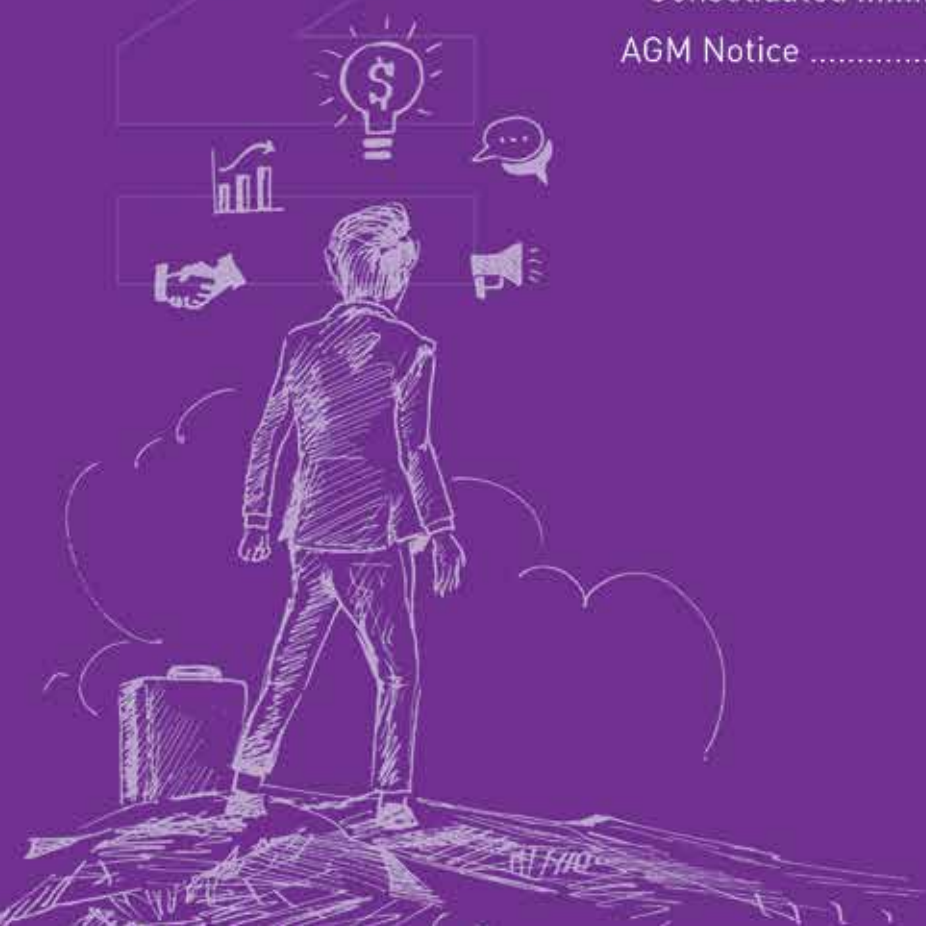
[www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com)

Email: [cs@thecrayonsnetwork.com](mailto:cs@thecrayonsnetwork.com)

CIN: L52109DL1986PLC024711

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# FORWARD-LOOKING STATEMENT

In this annual report we are presenting some forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Wherever possible, we have tried to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.





# CHAIRMAN'S LETTER

Dear Shareholders,

I am pleased to present the Annual Report of Crayons Advertising Limited for financial year 2023-24.

As digital advertising has become omnipresent in today's digital age the audience getting bombarded with hundreds and thousands of ads each day, their effectiveness tends to attenuate. To make things trickier, brands only have a few seconds to grab their customers' attention and make a lasting impression. As every advertiser aims to impact the customers at the time of purchase by creating a strong brand recall, a big question that arises is how to effectively leverage the power of digital advertising to accomplish this goal?

We, at Crayons, firmly believe that creativity and innovation are the answer to this question. The more creative and innovative the ad campaigns get, the better is the brand awareness and brand recall, which in turn reflect positively on the sales numbers. In this endeavour, we have been working with brands to help them effectively reach out to their prospects – digitally.

Finally, I am thankful to all our Stakeholders, our Bankers, our Investors, our Vendors and most importantly our customers for their trust and faith. I must acknowledge huge contribution from entire team of Crayons Advertising Limited who push its boundaries, rise above challenges and leave no stone unturned to achieve consumer satisfaction.

It is an honour to serve as the Chairman & Managing Director of Crayons and I am enthusiastic about Crayons's prospects and confident that this team has the passion and commitment to keep Crayons on a winning path well into the future.

With Warm Regards,

**Sd/-**  
**Kunal Lalani**  
**Managing Director and Chairman**



# INTRODUCTION

In a world of cut-throat competition, where it's easier to lose a customer than retain one, we believe in creating names that occupy the mind space of their customers for remarkably long periods.

Established in 1986, Crayons is a reputed communications group with specialisation in Strategy, Creative, Digital, Media, Events, and OOH campaigns. Set in motion with the idea of producing work that would make a conspicuous difference and transform brands into enduring ones, today Crayons is the leading independent ad agency in India.

Over the years, Crayons has built upon the experience of servicing clients with varied profiles like consumer products, retail, corporate, government and the public sector. Drawing upon an eclectic mix of creative and seasoned professionals, all our verticals are developing clutter-breaking solutions that are effective and impactful for the consumers. Little wonder, we have a portfolio comprising some of India's leading brands.

These brands are a living testimony that in a world of shifting customer loyalties, it isn't just spending millions that builds powerful brands but creating the right brand communication.

# ABOUT THE COMPANY AND CORE TEAM

Talented and driven professionals, in terms of knowledge, skill and experience, form the core workforce of Crayons. The deep understanding of different businesses and their insights help us ensure that fitting and competent communication is conveyed and the desired results are achieved.

An absolute hands on person, Kunal Lalani set up Crayons single-handedly. His understanding of the intricacies of Indian businesses provides strategic direction and business solutions to all verticals. Crayons is spearheaded by Samir Datar, who brings over 30 years of experience in Advertising and Brand Management. He has headed many agencies of repute and is responsible for building strong and long lasting client-agency relationships over the years. The creative department is led by Manoj Jacob who has more than 15 years' experience of working in the finest agencies in the country and has won many national as well as international awards for his work. These renowned people are backed by a team of about 225 professionals and together they form team Crayons.





# DIGITAL

The world of advertising is fast changing. Traditional advertising is giving way to a more precision based approach-Digital Advertising which is youth oriented and creates engaging and interactive communication. Although a young entrant in the digital space, Crayons Digital has made a mark with its outstanding campaigns of national and global stature. In a very short period it has handled high volume online business for diverse clients with some highly path breaking work.

In today's rapidly evolving digital landscape, Crayons Digital has achieved remarkable success for its clients by leveraging innovative and data-driven strategies. By utilizing precise targeting, real-time analytics, and dynamic content, Crayons Digital has enabled brands to engage consumers like never before. This approach has led to increased brand visibility, higher conversion rates, and measurable results. Crayons Digital's commitment to staying ahead of technological advancements ensures that its clients benefit from the latest trends and tools in digital marketing, providing unparalleled opportunities for creativity and impact.

Crayons boasts a team of savvy strategists, consultants, creatives, and developers that work together to deliver quantifiable results. We believe that digital is the next big thing and we don't look at conventional advertising practices and campaign formats, preferring to create something Innovative and ground-breaking.

To create the most effective communication, our agency offers the following:

Web Design & Development, Search Engine Optimization, Social Media Strategy & Management, Digital Strategy & Planning, Influencer Marketing, App-based Marketing, Digital Media Planning & Buying and Web UI & UX Audit & Strategy.



No. 1

APL APOLLO

Steel Building Solutions

# COLU N

EVERYTHING BUT ORDINARY

#MoreThanStrength

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NO  
OD  
PEC  
KER  
MAKES  
SPACE

A PERFECT  
POUR  
MINUS  
THE  
CHATTY  
BARTENDER.

Mother's Day

#ContestAlert

Because  
the best Chef in the  
world needs the  
best helper too.

Participate  
& win

Swipe right →

IndianOil

THE TIME TO ACT IS NOW!

This National Endangered Species Day,  
take a vow of change.

Why are  
we so  
distant?

We probably  
need to align  
ourselves.

Teeth have feelings too.

Teeth gaps could result in bad breath, tooth decay, gum disease and poor looks. Find out how aligners can help.  
Talk to your Dentist today!

YOUR CONTENT.  
YOUR CHOICE.  
YOUR CARROTS.

Earn more without compromising on content.

# MEDIA

The media wing of the company has a great understanding of the local market, using their insights to drive value to media plans. We advise you on how and where to advertise, ensuring that the communication message appeals to consumers, appears in the right place, at the right time and at the best possible price. Media buyers of company liaise with publishers from various media titles and are equipped with the latest software that has the right tools to determine campaign efficacies and tracking habits. Print advertising reaches audiences through newspapers, magazines, brochures, leaflets, and various other printed materials. Our dedicated print division is attuned to this expanding market demand. Using all media vehicles and possible mixes, we aim to provide cost-effective solutions for any requirement, offering the highest quality for the best results.

The company have handled various kinds of media mandates, ranging from extremely hectic and large magnitude jobs for Government bodies and big brands demanding visibility at every point of contact, to focused media required for niche retail clients. Recently, the company have executed media campaigns for Tata Group, Cornitos, Indian Oil, Kajaria, Kerovit, APL Apollo, KajariaPLY, Woodpecker and Chola MS .



# MEDIA



# EVENT

The events management wing of crayons understands the importance of events as a brand building tool and in promoting businesses. Being an integrated and full service event management set up, Crayons takes care of everything: starting from conceiving the big idea, to budgeting, scheduling, site selection, acquiring necessary permits, coordinating transportation and parking, arranging for speakers or entertainers, decor, event security, catering, coordinating with third party vendors, and emergency plans. Each event is different in its nature, so the process of planning & execution of each event differs based on the type of event. The Company have done events of all sizes, from large scale tourism, travel agent meets, product launches, State Government events to National and International exhibitions of repute.

## Our big ticket events:

- The Bayut Awards 2023
- Cornitos AAHAR Fest
- Toyota Hyryder Training & Experience Drive
- Cornitos HORN OK PLEASE
- Cornitos WFI
- Prime Minister's Visit to Kumbh Mela 2019, Prayagraj
- Visit of Sh. Amit Shah with CM and other Cabinet Ministers to Kumbh Mela 2019, Prayagraj
- Organisation of Dharam Sansad at Kumbh Mela 2019, Prayagraj
- Organisation of Vaicharik Kumbh at Kumbh Mela 2019, Prayagraj
- Closing Ceremony of Kumbh Mela 2019, Prayagraj
- Pravasi Bhartiya Diwas at Kumbh Mela 2019, Prayagraj
- NYPUNYAM Skill Fiesta 2016
- International Road Shows for Goa Tourism
- Grand Kerala Shopping Festival – 3 years in a row
- Kerala Tourism Road Shows in India and abroad
- Kohinoor's Guinness World Record Biryani Event





# EVENT



# OOH

The outdoor medium of branding has changed drastically. Branding is possible on almost anything now. Out-of-home advertising or outdoor advertising is a medium that reaches the consumers while they are outside their homes, via billboards, street, roads, highways, transit, etc. We have our own specialised outdoor division that understands this growing need of the market. It has a cracking team of outdoor experts with the drive to innovate and come with different and better possibilities. With years of experience in acquiring outdoor properties and buying outdoor media, Crayons's penchant for OOH innovation and precise executions has led to many landmark outdoor campaigns. Some of which are:

- A million signages all over India for a telecom brand
- Simultaneously putting up 14000 hoardings across India for a political campaign
- Asia's largest banner in the air, Dubai
- Pan India creatives for Cornitos
- Pan India BJP OOH Campaign
- We own over 500 prime hoarding sites in North India.





## DIRECTOR'S REPORT FOR THE FINANCIAL YEAR ENDED 2023-24

Dear Members,

Your Directors have pleasure in presenting the 38th Board's Report of **M/s Crayons Advertising Limited (Formerly known as M/s Crayons Advertising Private Limited** ("the Company") for the financial year ended 31<sup>st</sup> March 2024.

### 1. Financial Review

#### Standalone

(IN Rs. Lacs)

Particulars	FY 2023-24	FY 2022-23	Change %
<b>Revenue from contracts with customers</b>	<b>20,154.90</b>	<b>27,568.45</b>	<b>-26.89%</b>
Cost of Services	15,145.63	23,017.56	-34.20%
Employee benefits expenses	1,404.96	1,149.46	22.23%
Other expenses	1,547.25	1,506.88	2.68%
<b>EBITDA</b>	<b>2,057.06</b>	<b>1,894.55</b>	<b>8.58%</b>
% EBITDA Margin	10.21	6.87	48.52%
Depreciation and amortisation expenses	138.82	110.49	25.64%
Finance costs	91.86	79.06	16.19%
Other income (Excl. Liabilities written back, if any)	450.07	546.46	-17.64%
<b>Profit Before Tax and Share of loss of an associate</b>	<b>2,276.45</b>	<b>2,251.46</b>	<b>1.11%</b>
Share of loss of an associate	-	-	-
<b>Profit Before Tax (PBT)</b>	<b>2,276.45</b>	<b>2,251.46</b>	<b>1.11%</b>
(Less): Total tax	586.16	592.19	-1.02%
(Less): Non-controlling interest	-	-	-
<b>Profit After Tax (PAT) net of non-controlling interest</b>	<b>1,690.29</b>	<b>1,659.27</b>	<b>1.87%</b>
% Profit Margin	8.39	6.02	39.34%
<b>Normalized PAT (net of non-controlling interest)</b>	<b>1,690.29</b>	<b>1,659.27</b>	<b>1.87%</b>
% Normalized PAT Margin	8.39	6.02	39.34%

The company has reported a standalone revenues of Rs. 20,154.90 Lacs in FY 2023-24, as compared to revenue of Rs. 27,568.45 in FY 2022-23 with a decline of 26.89% YoY basis. Despite of decrease in the revenue during the FY 2023-24, the EBITDA margin of the company for FY 2024 is increased by 8.58% and the Net Profit during the period is also increase by 1.87%.

#### Consolidated

Particulars	FY 2023-24
<b>Revenue from contracts with customers</b>	<b>23,392.04</b>
Cost of Services	18,068.63
Employee benefits expenses	1,491.94
Other expenses	1,699.64
<b>EBITDA</b>	<b>2,131.83</b>
% EBITDA Margin	9.11
Depreciation and amortisation expenses	140.7
Finance costs	91.86
Other income (Excl. Liabilities written back, if any)	441.75
<b>Profit Before Tax and Share of loss of an associate</b>	<b>2,341.02</b>
Share of loss of an associate	-
<b>Profit Before Tax (PBT)</b>	<b>2,341.02</b>
(Less): Total tax	622.08



Particulars	FY 2023-24
(Less): Non-controlling interest	-
Profit After Tax (PAT) net of non-controlling interest	1,718.94
% Profit Margin	7.35
(Add): share of profit / (loss) of associates	64.69
<b>Profit for the Year</b>	<b>1783.63</b>
(Less): Minority Interest	-28.63
<b>Profit for the year after minority interest</b>	<b>1755.00</b>
Normalized PAT (net of non-controlling interest)	1,755.00
<b>% Normalized PAT Margin</b>	<b>7.50</b>

The company has reported a Total Consolidated Income of INR 23392.04 Lacs during the financial year 2023-24. EBITDA of the company during the period under review is INR 2131.83 Lacs and the Net Profit of the period under review is INR 1,755.00 Lacs.

#### Key Financial Ratios

Key Ratios	As of March 31, 2023	As of March 31, 2024 (Consolidated)
Return on Net Worth (%)	0.16	0.17
Return on Capital Employed (%)	0.69	0.72
Total Debt/Equity	0.14	0.14
Interest Coverage Ratio	11.33	11.33
Current Ratio	2.15	2.09
Diluted Earnings per Share (Rs.)	7.21	7.61

#### Standalone

Return on Net Worth for FY 2024 is 0.16 whereas the Return on Capital Employed if 0.69. As the company has reduced its debts during last 2 financial years, the total debt to equity ratio came to 0.14. Further the Interest Coverage Ratio of the company for FY 2024 is reduced to 11.33 which is very impressive. Current ratio of the company is increased to 2.15 which shows that's the current assets of the company is more than current liabilities. During FY 2024 **EPS (Earning Per Share-Diluted) is 7.21.**

#### Consolidated

Return on Net Worth for FY 2024 is 0.17 whereas the Return on Capital Employed if 0.72. The total debt to equity ratio is 0.14. Further the Interest Coverage Ratio of the company for FY 2024 is reduced to 11.33. Current ratio of the company stands at 2.09. During FY 2024 **EPS (Earning Per Share-Diluted) is 7.61.**

#### 2. DIVIDEND

The management has decided to reinvest the money for the purpose of expansion and overall growth of the company. Hence, your management recommends no dividend for the year ended March 31, 2024 and will increase efforts to enhance the profit in coming financial year.

#### 3. RESERVES AND SURPLUS

The Company had earned a Net profit of Rs. 1690.29 (in lacs) during the current financial year 2023-24. The entire Net profit during the current financial year had been carried to the Reserves and Surplus.

#### 4. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31<sup>st</sup> March, 2024, there are 6 (Three) Directors in your Company. The detail is as under:

Sl. No.	Name	DIN	Category	Designation
1.	Mr. Kunal Lalani	00002756	Executive	Chairman Managing Director
2.	Mrs. Vimi Lalani	00010548	Non-Executive Director	Director



Sl. No.	Name	DIN	Category	Designation
3.	Mr. Hulas Mal Lalani	00257693	Non-Executive Director	Director
4.	Mr. Atul Jeevandhar Kumar Hegde	02699927	Non-Executive Director	Director
5.	Mr. Vinod Zutshi	00502876	Non-Executive Director	Independent Director
6.	Mr. Surendra Kumar Pagaria	02945040	Non-Executive Director	Independent Director

None of the directors are disqualification under section 164 of Companies Act, 2013.

During the year under review, the following persons were designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

Sl. No.	Name	Designation	Remarks
1.	Mr. Rajat Singhal	Chief Financial Officer	Appointed on 1 <sup>st</sup> December, 2022
2.	Ms. Neelu Prajapati	Company Secretary	Appointed on 15 <sup>th</sup> December 2022 and resigned on 8 <sup>th</sup> May 2023
3.	Mr. Gagan Mahajan	Company Secretary	Appointed on 8 <sup>th</sup> May 2023

#### **Change in Board of Directors during financial year 2023-24:**

There is no change in the Board of Directors of the company during the year under review.

#### **Directors liable to retire by rotation**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Atul Jeevandhar Kumar Hegde (Non-Executive Non Independent Director) (DIN: 02699927) is liable to retire by rotation and being eligible, seeks re-appointment at the ensuing AGM. Mr. Atul Jeevandhar Kumar Hegde is not disqualified under Section 164 of the Companies Act, 2013. Board of Directors recommends his re-appointment in the best interest of the Company.

The Notice convening forthcoming AGM includes the proposal for re-appointment of aforesaid Director. A brief resume of the Director proposed to be re-appointed, nature of his experience in specific functions and area and number of listed companies in which he holds Membership/Chairmanship of Board and Committees, share holdings and inter-se relationships with other Directors as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) are provided in the 'Annexure to the Notice of AGM' forming part of the Annual Report.

#### **5. FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

There are no such frauds reported by auditors, which are committed against the company by officers or employees of the company.

#### **6. SHARE CAPITAL**

During the year under review the company has not allotted any shares.

#### **7. ISSUE OF SHARE WARRANTS**

During the year under review Company has issued and allotted 5,00,000 (Five lakh only) warrants convertible into equivalent number of equity shares, having face value of Rs. 10/- per equity shares, within a period of 18 months from the dated of allotment i.e., 3<sup>rd</sup> January 2024 at an issue price of Rs. 155/- (Rupees one hundred fifty five Only) (including premium of Rs. 145/- each). The Company has received Rs. 193.75 lakhs being 25% of the total amount payable towards subscription of the warrants from all the allottees.

#### **8. PUBLIC DEPOSITS**

The Company has not accepted any deposit during the period started from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024.

#### **9. CHANGE IN NATURE OF BUSINESS OF THE COMPANY**

There was no change in the nature of business of the Company

#### **10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements as on 31.03.2024 and part of annual report.



## 11. CORPORATE GOVERNANCE

Your Company's Corporate Governance Practices are a reflection of the value system encompassing culture, policies and relationships with its stakeholders. Integrity and transparency are a key to Corporate Governance Practices to ensure that the Company gain and retain the trust of its stakeholders at all times. Your Company is committed for highest standard of Corporate Governance in adherence of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to Regulation 34(3) read with Schedule-V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance forms an integral part of this annual report which is attached as **Annexure-A**.

A Certificate' from the M/s Vasisht & Associates, a Company Secretaries, New Delhi, confirming compliance by the Company of the conditions of Corporate Governance as stipulated in Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also annexed as "**Annexure-A(1)**" to this Board's Report.

Parameters of Statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as prescribed under the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

## 12. MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion & Analysis Report for the year under review as stipulated under Listing Regulations is presented separately as part of this Annual Report is attached as **Annexure-B**.

## 13. DISCLOSURE REGARDING BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

## 14. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate internal financial control and risk mitigation, which are constantly assessed and strengthened with new/revised standard operating procedures commensurate with its size and the nature of its business.

During the year, no reportable weakness in the operations and accounting were observed and your company has adequate internal financial control with reference to its financial statements.

## 15. RISK MANAGEMENT POLICY

The Board of the Company has evaluated a risk management to monitor the risk management plan for the Company. The Audit Committee has additional oversight in the area of financial risk and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis.

## 16. HUMAN RESOURCES DEVELOPMENT:

Attracting, enabling and retaining talent have been the cornerstone of the Human Resource function and the results underscore the important role that human capital plays in critical strategic activities such as growth. A robust Talent Acquisition system enables the Company to balance unpredictable business demands with a predictable resource supply through organic and inorganic growth.

Human Resources are the most important asset of any financial services organization. For all key exists the succession plan triggered in and our Company was able to immediately fill all key leadership positions ensuring continuity and stability.

Our Company also actively encouraged cross utilization of resources to avoid the need of hiring from the market and also to nurture multi-tasking skills in employees. This ensured that all employees of our Company were productively employed and also helped our Company save on hiring costs and wherever necessary strengthened its hiring process to ensure economical quality hires.

The Company's ultimate objective is to create a strong and consistent team of employees wherein each link in the resource chain is as strong as the other. In view of this, various employee benefits, recreational and team building programs are conducted to enhance employee skills, motivation as also to foster team spirit.

## 17. PARTICULARS OF EMPLOYEES:

Details of the top ten employees in terms of remuneration drawn, as required under the provisions of Section 197 of the Act, read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as **ANNEXURE-C**.



The ratio of remuneration of each Director and Key Managerial Personnel to the median of employees' remuneration, the percentage increase in remuneration, as required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **ANNEXURE-C**.

Further, there are no employees posted and working outside India and drawing salary in excess of the prescribed limits under the above Rules and accordingly, the statement included in this Report does not contain the particulars of employees who are posted and working outside India.

#### **18. NUMBER OF BOARD MEETINGS:**

The Board of Directors of the Company met 15 (Fifteen) times during the year under review including the meeting of the Independent Directors in accordance with the provisions of the Companies Act, 2013 and rules made there under. The intervening gap between two Board Meeting was within the period prescribed under the Companies Act, 2013 and as per Secretarial Standard-1. The prescribed quorum was presented for all the Meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

#### **19. NUMBER OF GENERAL MEETINGS:**

During the year 2023-24, following general meetings held:

1. **Annual General Meeting:** 28<sup>th</sup> day of September, 2023
2. **EGM Date:** During the year under review, One EGM was held on, 14<sup>th</sup> December, 2023

#### **20. DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES, AND HIGHLIGHTS OF THEIR PERFORMANCE AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY**

Our Company had a Associate company namely M/s BB&HV Private Limited within the meaning of Section 2(6) of the Companies Act, 2013 (Act).

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of financial statements of the subsidiary company in form **AOC – 1** appended as **Annexure-D**.

#### **21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act. Further disclosure in Form AOC-2 is as attached as '**Annexure E**. There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large.

The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions, as approved by the Board, is available on the Company's website and may be accessed at:

<https://thecrayonsnetwork.com/assets/downloads/Policy-on-Materiality-of-RPT-and-dealing-with-RPT.pdf>

#### **22. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURES:**

Particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are given hereunder:

##### **➤ CONSERVATION OF ENERGY**

- i. **Steps taken or impact on conservation of energy:** Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of electricity.
- ii. **Steps taken by the company for utilizing alternate sources of energy:** Nil, as your company does not carry any manufacturing activities
- iii. **The Capital investment on energy conservation equipment's:** Nil

##### **➤ TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION AND RESEARCH & DEVELOPMENT**

No research & development or technical absorption or adaption & innovation taken place in the company during the Financial Year 2023-24, the details as per rule 8(3) of The companies (Accounts) Rules 2014 are as follows:



- i. **Efforts made towards technology absorption:** Nil
- ii. **Benefits derived like product improvement, cost reduction, product development or import substitution:** Nil
- iii. **In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):**
  - a) **Details of technology imported:** Nil
  - b) **Year of Import:** Nil
  - c) **Whether the technology been fully absorbed:** Nil
  - d) **Areas where absorption has not taken place, and the reasons thereof:** Nil
- iv. **Expenditure incurred on Research and Development:** Nil

## **23. FOREIGN EXCHANGE EARNINGS AND OUTGO**

**Foreign Exchange Earnings:** NIL

**Foreign Exchange Outgo:** INR 156.86 Lacs

## **24. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

Pursuant to Section 134(3) of the Companies Act, 2013, the Nomination & Remuneration Policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and Senior Management Personnel is available under investor relations section on the Company's website and also attached as **Annexure-F**.

Further, the Company also has a Board Diversity Policy to assure that the Board is fully diversified and comprises of an ideal combination of Executive and Non-Executive Directors, including Independent Directors, with diverse backgrounds.

## **25. DECLARATION FROM INDEPENDENT DIRECTORS**

The Company received declarations from Independent Directors in accordance with Section 149(7) of the Companies Act, 2013 and Listing Regulations, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations.

## **26. RISK MANAGEMENT**

The Board of the Company has evaluated a risk management to monitor the risk management plan for the Company. The Audit Committee has additional oversight in the area of financial risk and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis.

## **27. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS**

Pursuant to the provisions of the Companies Act and the SEBI Listing Regulations, a structured questionnaire was prepared for evaluating the performance of Board, its Committees and Individual Director including Independent Directors. The questionnaires were prepared after taking into consideration the various facets related to working of Board, its Committee and roles and responsibilities of Director. The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors including Independent Directors on the basis of the criteria and framework adopted by the Board. Further, the performance of Board as a whole and committees were evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria. The Board of Directors expressed their satisfaction with the evaluation process. In a separate meeting of Independent Directors, the performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors.

## **28. DECLARATION FROM INDEPENDENT DIRECTORS**

The Company received declarations from Independent Directors in accordance with Section 149(7) of the Companies Act, 2013 and Listing Regulations, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations.





## **29. STATUTORY AUDITORS:**

M/s SS Kothari Mehta & Company, Chartered Accountants (Firm Registration No. 000756N) was appointed as the Statutory Auditors of the Company for a term of 5 (Five) years from the conclusion of 33<sup>rd</sup> Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting of the Company to be held in the year 2024 at a remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company. The term of 5 years of the Statutory Auditors completed during the current year.

The Board of Directors has appointed M/s. Manish Pandey & Associates, Chartered Accountants, (Firm Registration No.: 019807C) as the Statutory Auditors of the Company for a term of 5 (Five) year from the conclusion of 38<sup>th</sup> Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2029 at a remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company, subject to the approval of the Shareholders in the ensuing Annual General Meeting.

## **30. SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Vasisht & Associates, Company Secretaries as the Secretarial Auditors of the Company to undertake Secretarial Audit of the Company for the FY 2023-24. The Secretarial Audit Report is annexed to this Report as **Annexure-G**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark

## **31. INTERNAL AUDITORS**

Pursuant to the provisions of Section 138 of the Companies Act, the Company had appointed M/s Mahadev Bhansali & Co., the Chartered Accountants, as the Internal Auditors of the Company for the FY 2024-25.

## **32. AUDITOR'S REPORT**

The observations of the Statutory Auditors in their report, read with the relevant notes to the financial statement are self-explanatory.

## **33. EXPLANATION TO AUDITOR'S REMARKS**

The auditor has not stated any qualification, reservation, adverse remark or disclaimer in the auditor's report.

## **34. DETAILS ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company's CSR activities are primarily done through NGO's. The CSR Committee of the Board of Directors has been formed comprising of three directors with Chairman being Independent Director. CSR Committee has framed and formulated a CSR Policy indicating the activities to be undertaken by the Company, in accordance with schedule-VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 issued under the Act. The same has also been approved and reviewed from time to time by the Board. The updated CSR policy is available at the website of the Company at <https://www.thecrayonsnetwork.com>. The Annual Report FY 2023-24 on CSR Activities, as stipulated under the Act forms an integral part of this Report and is appended as **Annexure-H**.

## **35. FRAUDS TO BE REPORTED BY AUDITORS**

The Auditors of the Company had not reported any offence involving any fraud committed against the Company by any officer or employee of the Company during the current financial year as well as during the previous financial year, as required under sub-section (12) of section 143 of the Companies Act, 2013.

## **36. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company is committed to provide a safe and conducive work environment to its employees. There exist at the group level an Internal Complaint Committee ('ICC') constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The group is strongly opposed to sexual harassment and employees are made aware about the consequences of such acts and about the constitution of ICC. During the year under review, no complaints were filed with the Committee under the provisions of the said Act in relation to the workplace/s of the Company.

**37. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**38. SIGNIFICANT AND MATERIAL ORDERS:**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's Operations in future.

**39. BUSINESS EXCELLENCE AND QUALITY INITIATIVES:**

Your Company continues to be guided by the philosophy of business excellence to achieve sustainable growth. Innovation in services and business models is a key agenda of the Management along with a customer-focused culture towards building long-term customer relationships.

**40. SECRETARIAL STANDARDS**

The Company has complied with all the Secretarial Standards issued till the end of financial year 2023-24.

**41. ANNUAL RETURN:**

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, copy of the Annual Return of the Company for the financial year 2021-22 prepared in accordance with Section 92(1) of the Act is available on the website of the Company at <https://admin.thecrayonsnetwork.com/downloads/61-Annual-Return-FY-2024.pdf>

**42. VIGIL MECHANISM POLICY / WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism, through a Whistle Blower Policy, where Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct.

It provides direct excess to the employees of the Company to approach the Compliance Officer or the Chairman of the Audit Committee, where necessary. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization.

The Whistle Blower policy can be accessed on the Company's Website at the link: <https://thecrayonsnetwork.com/assets/downloads/Whistle-Blower-Policy.pdf>

**43. CODE FOR PROHIBITION OF INSIDER TRADING**

Your Company has in place a Code for Prohibition of Insider Trading, under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, which lays down the process of trading in securities of the Company by the employees, designated persons and connected persons and to regulate, monitor and report trading by such employees and connected persons of the Company either on his/her own behalf or on behalf of any other person, on the basis of unpublished price sensitive information.

The Company reviews the policy on need basis. The Code for Prohibition of Insider Trading is available on the website of the Company at the link: <https://thecrayonsnetwork.com/assets/downloads/Insider-Trading-Policy.pdf>

**44. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

Pursuant to Regulation 8(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, with a view to lay down practices and procedures for fair disclosure of unpublished price sensitive information through SDD software that could impact price discovery in market for its securities.



The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company at the link: <https://thecrayonsnetwork.com/assets/downloads/Insider-Trading-Policy.pdf>

**45. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(5) of the Act, the directors hereby confirm that:

- i. In the preparation of the annual accounts for the financial year 2023-24, the applicable accounting standards have been followed and there are no material departures;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the profit /loss of the Company for that period;
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual accounts on a going concern basis;
- v. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**46. ACKNOWLEDGEMENTS**

The Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, bankers and regulatory and government authorities for the continued support given by them to the Company and their confidence reposed in the management.

**By Order of the Board  
For Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)**

**Place: New Delhi  
Date: 05.09.2024**

**Sd/-  
Kunal Lalani  
(Chairperson cum Managing Director)  
DIN: 00002756**

**REPORT ON CORPORATE GOVERNANCE**

Your Company had aligned and have its corporate governance practice in a manner so as to achieve the objectives of principles as envisaged in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (SEBI LODR).

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Report for the financial year ended March 31<sup>st</sup>, 2024 on compliance by the Company with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given below.

The Company's philosophy on Corporate Governance is aimed at (a) enhancing long term shareholder value through assisting the top management in taking sound business decisions; and prudent financial management; (b) achieving transparency and professionalism in all decisions and activities of the Company; (c) achieving excellence in Corporate Governance by conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible and reviewing periodically the existing systems and controls for further improvements.

**1. BOARD MEETING AND PROCEDURES AND ATTENDANCE OF DIRECTORS AND DETAILS OF OTHER BOARDS OR COMMITTEES WHERE DIRECTOR/S ARE A MEMBER OR CHAIRPERSON**

- i. As on March 31<sup>st</sup>, 2024, the Company has six directors. Out of the Six directors, Four are Non-Executive Directors out of which two are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.
- ii. None of the Directors on the Board:
  - holds directorships in more than ten public companies;
  - serves as Director or as Independent Directors (ID) in more than seven listed entities; and
  - who are the Executive Directors serves as IDs in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31<sup>st</sup>, 2024 have been made by the Directors. None of the Directors is related to each other except Mr. Kunal Lalani, Mrs. Vimi Lalani and Mr. Hulas Mal Lalani.

- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- iv. Fifteen (15) Board Meetings were held during the year, including the meeting of the Independent Directors under review and the gap between two meetings did not exceed one hundred and twenty days.

The said meetings were held on:

6<sup>th</sup> April 2023, 19<sup>th</sup> April 2023, 24<sup>th</sup> April 2023, 25<sup>th</sup> April 2023, 02<sup>nd</sup> May 2023, 8<sup>th</sup> May 2023, 30<sup>th</sup> May 2023, 20<sup>th</sup> June 2023, 21<sup>st</sup> August 2023, 5<sup>th</sup> September 2023, 14<sup>th</sup> November 2023, 03<sup>rd</sup> January 2024, 20<sup>th</sup> February 2024, 27<sup>th</sup> March 2024, 31<sup>st</sup> March 2024.

The necessary quorum was present for all the meetings.



Name	Category	Designation	No. of Meetings entitled to attend	No. of Meetings Attended	No. of Membership in Boards of Other Companies	Attendance of each Director At last AGM	Number of Committee positions held in other Public Companies as Member or Chairperson	Directorship in other Listed Company	Category of Directorship	No. of Shares Held by the Directors
Mr. Kunal Lalani	Executive	Chairman Managing Director	14	14	15	Yes	-	Mega Corporation Limited	Non Executive Director	4390160
Mrs. Vimi Lalani	Non-Executive Director	Director	14	14	6	Yes	-	-	-	2200800
Mr. Hulas Mal Lalani	Non-Executive Director	Director	14	14	7	Yes	-	-	-	14640
Mr. Atul Jeevandhar kumar Hegde	Non-Executive Director	Director	14	2	5	No	-	-	-	-
Mr. Vinod Zutshi	Non-Executive Director	Independent Director	15	3	0	Yes	-	-	-	-
Mr. Surendra Kumar Pagaria	Non-Executive Director	Independent Director	15	2	2	Yes	3	Mega Corporation Limited	Non Executive Independent Director	-

The detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed notes is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). In some instances, documents are tabled at the meetings and the presentations are also made by the respective executives on the matters related to them at the Board or Committee Meetings. The information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration. The Directors are also provided the facility of video/tele conferencing to enable them to participate effectively in the Meeting(s), as and when required.

As mandated by proviso under Regulation 17A(1) of the Listing Regulations as of March 31, 2024, none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities and as per Regulation 26 of Listing Regulations none of Directors is a member of more than ten committees or acting as Chairperson of more than five committees across all listed companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

## 2. COMPOSITION OF BOARD

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors. The composition of Board of Directors as on 31<sup>st</sup> March, 2024 is given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements.

Name	DIN	Category	Designation
Mr. Kunal Lalani	00002756	Executive	Chairman Managing Director
Mrs. Vimi Lalani	00010548	Non-Executive Director	Non Independent Director
Mr. Hulas Mal Lalani	00257693	Non-Executive Director	Non Independent Director
Mr. Atul Jeevandhar Kumar Hegde	02699927	Non-Executive Director	Non Independent Director
Mr. Vinod Zutshi	00502876	Non-Executive Director	Independent Director
Mr. Surendra Kumar Pagaria	02945040	Non-Executive Director	Independent Director



**PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:**

The Board of Directors has made formal annual evaluation of its own performance, and that of its committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under the Listing Regulations.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board also carried out evaluation of the performance of Individual Directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc.

The Directors expressed their satisfaction with the evaluation process.

**FAMILIARISATION PROGRAMME**

The Company has in place a Familiarization Programme for its Independent Directors which shall be given to new Independent Directors upon joining and to existing Independent Directors on “need basis”. The objective of the Familiarization Programme is to provide training to new Independent Directors at the time of their joining so as to enable them to understand the Company - its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. Besides, the Independent Directors are made aware of their role and responsibilities and liabilities at the time of their appointment through a formal letter of appointment, which also stipulates their roles and responsibilities and various terms and conditions of their appointment. Additionally, regular updates on relevant statutory and regulatory changes are regularly circulated to all the Directors including Independent Directors.

**CODE OF CONDUCT**

- (i) The board has laid down a “Code of Conduct” for all the board members and the senior management of the company and the Code of Conduct has been posted on the website of the company at [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com) Annual declaration confirming compliance of the code is obtained from every person covered by the code of conduct.
- (ii) The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31<sup>st</sup> March, 2024. The Annual Report of the Company contains a Certificate by the CFO in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

**CORE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS**

Category	Expertise/Skill/Competencies
<b>Non-Executive Non- Independent Director</b> Mr. Atul Jeevandhar kumar Hegde Mr. Hulas Mal Lalani Mrs. Vimi Lalani	<ul style="list-style-type: none"> <li>• Legal and Regulatory Framework</li> <li>• In-depth Industry Knowledge</li> <li>• Resource Management and Utilisation</li> <li>• Risk Assessment and Management</li> <li>• Financial Services</li> <li>• Understanding of accounting and financial statements</li> </ul>
<b>Non-Executive Independent Directors</b> Mr. Vinod Zutshi Mr. Surendra Pagaria Executive Director Mr. Kunal Lalani	<ul style="list-style-type: none"> <li>• Legal and Regulatory Framework</li> <li>• In-depth Industry Knowledge</li> <li>• Resource Management and Utilisation</li> <li>• Risk Assessment and Management</li> <li>• Financial Services</li> <li>• Understanding of accounting and financial statements</li> </ul>



Category	Expertise/Skill/Competencies
<b>Executive Director</b> Mr. Kunal Lalani	<ul style="list-style-type: none"> <li>• Legal and Regulatory Framework</li> <li>• In-depth Industry Knowledge</li> <li>• Legal and Regulatory Framework</li> <li>• In-depth Industry Knowledge</li> <li>• Resource Management and Utilisation</li> <li>• Risk Assessment and Management</li> <li>• Financial Services</li> <li>• Understanding of accounting and financial statements</li> </ul>

### 3. AUDIT COMMITTEE

The Audit Committee was constituted vide Board resolution dated January 21, 2023 pursuant to Section 177 of the Companies Act, 2013. The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with Section 177 of the Act, Regulation 18(3) read with Part C of Schedule-II of the SEBI Listing Regulations and other regulations applicable to the Company and is reviewed from time to time:

**The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.



14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

**The Audit Committee shall mandatorily review the following information:**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at-least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

**(b) Composition, names of Members and Chairperson, its meetings and attendance:**

The composition of the Audit Committee as on 31<sup>st</sup> March, 2024 and number of meetings attended by the Members during the year are given below:

Name of the Director	Designation in the Committee	Nature of Directorship	Meeting Entitled to Attend	Meeting Attended
Mr. Surendra Kumar Pagaria	Chairperson	Non-Executive Independent Director	4	4
Mr. Vinod Zutshi	Member	Non-Executive Independent Director	4	4
Mr. Kunal Lalani	Member	Managing Director	4	4





Our Company Secretary and Compliance officer will act as the secretary of the Committee.

During the year, 4 Audit Committee Meeting was held on 19<sup>th</sup> June 2023, 5<sup>th</sup> September 2023, 9<sup>th</sup> November 2023, and 14<sup>th</sup> November 2023

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### (A) Composition, names of Members and Chairperson, its meetings and attendance:

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on January 21<sup>st</sup>, 2023:

The composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2024 and number of meetings attended by the Members during the year are given below:

Name of the Director	Designation in the Committee	Nature of Directorship	Meeting Entitled to Attend	Meeting Attend
Mr. Surendra Kumar Pagaria	Chairperson	Non-Executive Independent Director	1	1
Mr. Vinod Zutshi	Member	Non-Executive Independent Director	1	1
Mrs. Vimi Lalani	Member	Non-Executive Director	1	1

During the year, 1 Nomination & Remuneration Committee Meeting was held on 20<sup>th</sup> August 2023.

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

##### (B) Terms of reference

The terms of the Committee are wide enough covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and Terms of reference of the Committee briefly are as under:

The purpose of the committee is to screen and review individuals qualified to serve as executive directors, non-executive directors, key managerial personnel and independent directors, consistent with the criteria approved by the Board, and to recommend, for approval by the Board, nominees for election at the AGM.

It also designed benchmarks and continuously reviews the compensation program for the Board and MD against the achievement of measurable performance goals. The committee also reviews and approves senior executive compensation to ensure that it is competitive in the global markets in which we operate, to attract and retain the best talent.

The committee makes recommendations to the Board on candidates for:

- i. Nomination for election of re-election by the shareholders and
- ii. Any Board vacancies that are to be filled.

It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposal submitted by the Chairman of the Board. The committee annually reviews and approves for CEO and MD, the executive directors and executive officers:

- a. The annual base salary.
- b. The annual incentive bonus including the specific performance-based goal and amount.
- c. Equity Compensation.
- d. Employment agreements, severance agreements, and change in control agreements/provisions.
- e. Any other benefits, compensation or agreements.

It reviews and discusses all matters pertaining to candidates and evaluates the candidates, and coordinates and oversees the annual self-evaluation of the Board and of individual directors. It also reviews the performance of all the executive directors on a periodic basis and on such intervals as may be necessary on the basis of the detailed performance parameters set for each executive director at the beginning of the year. The committee may also regularly evaluate the usefulness of such performance and make necessary amendments.

**(C) Remuneration Policy**

Remuneration policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities. The salient features of the policy are highlighted below:

- The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors.
- The Nomination and Remuneration Committee decides the commission payable to the Non-Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013 and as approved by the shareholders at a General Meeting.
- Non-Executive Directors of the Company are eligible for sitting fees for attending meetings of the Board and meetings of Committees of the Board.
- The Company reimburses expenditure reasonably incurred by the Directors in the performance of their duties as per the provisions of the applicable laws Companies Act 2013 and in conjunction with the rules and policies of the Company.
- The Nomination and Remuneration Committee reviews and finalizes the remuneration of the key executives on an annual basis, or earlier if deemed necessary.

**5. STAKEHOLDER'S GRIEVANCE COMMITTEE**

The Stakeholders Relationship Committee of the Board of Directors was constituted in line with the provision of Regulation 20 of SEBI (LODR) Regulations 2015 read with section 178 of the Act to look after Shareholders'/Investors' Grievance like redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports etc.

**(A) Composition, Members, its meetings and attendance:**

During the year, 1 Stakeholder's Relationship Committee meetings was held on 14<sup>th</sup> November 2023.

The Stakeholders Relationship Committee has been formed by the Board of Directors, at the meeting held on January 21, 2024 and number of meetings attended by the Members during the year are given below:

Name of the Director	Designation in the Committee	Nature of Directorship	Meeting Entitled to Attend	Meeting Attend
Mr. Surendra Kumar Pagaria	Chairperson	Non-Executive Independent Director	1	1
Mr. Vinod Zutshi	Member	Non-Executive Independent Director	1	1
Mr. Kunal Lalani	Member	Managing Director	1	1

**(B) Terms of Reference/Charter of Stakeholders Relationship Committee**

The Stakeholders Relationship Committee of the Board is constituted with powers and responsibilities including, but not limited to:

- i. Review statutory compliances relating to all security holders.
- ii. Consider and resolve the grievances of security holders of the Company, including complaints related to transfer of securities, non-receipt of annual report/ declared dividends/ notices/ balance sheet.
- iii. Oversee compliances in respect of dividend payments and transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund.
- iv. Oversee and review all matters related to the transfer of securities of the Company.
- v. Approve issue of duplicate certificates of the Company.
- vi. Review movements in shareholding and ownership structures of the Company.
- vii. Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent.
- viii. Recommend measures for overall improvement of the quality of investor services.



## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on January 21, 2024. Number of meetings attended by the Members during the year are given below:

Name of the Director	Designation in the Committee	Nature of Directorship	Meeting Entitled to Attend	Meeting Attend
Mrs. Vimi Lalani	Chairperson	Non-Executive Director	2	2
Mr. Surendra Kumar Pagaria	Member	Non-Executive Independent Director	2	2
Mr. Atul Jeevandhar Kumar Hedge	Member	Non-Executive Director	2	2

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

During the year, 2 Corporate Social Responsibility Committee meetings was held on 20<sup>th</sup> August 2023 and 25<sup>th</sup> March 2024.

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

- To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule-VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

### Compliance officer

Ms. Neelu Prajapati has resigned from the position of Company Secretary on 8<sup>th</sup> May 2023 and in her place Mr. Gagan Mahajan has been appointed as Compliance Office on 8<sup>th</sup> May 2023.

Mr. Gagan Mahajan Company Secretary and Compliance Officer of the Company is responsible for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

### Details of Remuneration to the Directors

#### • Executive Directors and Non-Executive Director (Non Independent Director):

The Company has paid remuneration to Executive Directors for the financial year 2023-2024 as per following manner:

Nature of Payment	(Amount in Rs.)			
	Mr. Kunal Lalani	Mrs. Vimi Lalani	Mr. Hulas Mal Lalani	Mr. Atul Jeevandhar kumar Hegde
Basic (P.M.)	2,55,000	1,98,000	-	-
HRA (P.M.)	1,27,500	99,000	-	-
Conveyance (P.M.)	-	-	-	-
Special Allowance (P.M.)	92,000	1400	-	-
Stock Options (P.M.)	-	-	-	-
Other (P.M.)	25,500	1600	-	-
Total	5,00,000	3,00,000	-	-



• **Non-Executive Directors (Independent Directors):**

All the Non-Executive Independent Directors receive remuneration only by way of sitting fees for attending Meetings of the Board/Committees. The details of sitting fees paid to Non-Executive Independent Directors during the financial year 2023-24 are as under:

(Amount in Rs.)

Nature of Payment	Mr. Vinod Zutshi	Mr. Atul Jeevandhar Kumar Hegde	Mr. Surendra Pagaria
Sitting Fees	1,05,000	35,000	70,000
Total	1,05,000	35,000	70,000

**7. INDEPENDENT DIRECTOR'S MEETING**

During the year under review, the Independent Directors met on 31<sup>st</sup> March, 2024, inter alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.
- ii) Evaluation of performance of the Chairman of the Company, taking into account the views of Executive & Non-Executive Directors.
- iii) Evaluation of quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**8. GENERAL BODY MEETINGS**

Details about Annual General Meetings held in last three years

For the Year	Venue	Day, Date & Time	Special Resolution
2020-21	NSIC Complex, Maa Anandmayee Marg, Okhla Phase-III, New Delhi-110020	AGM, Tuesday, 30 <sup>th</sup> day of November, 2021 at 4:45 PM	Nil
2021-22	NSIC Complex, Maa Anandmayee Marg, Okhla Phase-III, New Delhi-110020	AGM, Friday, 30 <sup>th</sup> September 2022 at 10:00 AM	Nil
2022-23	NSIC Complex, Maa Anandmayee Marg, Okhla Phase-III, New Delhi-110020	AGM, Thursday, 28 <sup>th</sup> September 2023 at 12:30 PM	4
2022-23	NSIC Complex, Maa Anandmayee Marg, Okhla Phase-III, New Delhi-110020	EGM, Thursday, 14 <sup>th</sup> December 2023 at 04:00 PM	3

**9. MEANS OF COMMUNICATION**

The Company is also maintaining a functional website [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com), wherein all the communications are updated. The Annual reports containing the Audited Annual Accounts, Auditors' Reports, Boards' Report, the Management Discussion and Analysis Report forming part of Boards' Report and other material information are circulated to the members and others entitled thereto. Annual Reports of the Company are emailed to all shareholders who have provided their email IDs in the records of the Depository. All the disclosures and communications to be filed with the Stock Exchanges were submitted through e-filing platform/ email and there were no instances of non-compliances.

**As a matter of policy, the company will display the official news release at its website, whenever applicable. There were no instances during the year, which requires the company to make any presentation before institutional investor or to the analyst.**

**10. GENERAL SHAREHOLDER INFORMATION**

The Company is registered in the New Delhi, India.

**A) Annual General Meeting**

Day, Date and Time: Monday, the 30<sup>th</sup> day of September 2024 at 02:30 PM

**B) Financial Year-01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024**

**C) Dividend Payment Date**

No dividend has been recommended for the year ended 31<sup>st</sup> March, 2023.



**D) Listing at Stock Exchanges**

**EQUITY SHARES**

Sl. No.	Name of Stock Exchange	Stock Code/Symbol
1.	<b>National Stock Exchange Ltd.</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051	CRAYONS

Listing Fee for the year 2023-24 & 2024-25 has been paid to National Stock Exchange.

**E) ISIN – INE00FK01019**

**F) Market Price Data: High Low for the period June 2023 to August 2024**

Month	Low	High
Jun-23	121.50	180.35
Jul-23	145.30	167.85
Aug-23	144.05	175.95
Sep-23	138.00	171.95
Oct-23	129.05	152.00
Nov-23	132.00	177.35
Dec-23	154.55	181.95
Jan-24	158.00	259.00
Feb-24	205.05	250.70
Mar-24	152.00	222.70
Apr-24	141.60	188.75
May-24	106.65	146.50
June-24	106.95	142.00
July-24	118.10	142.70
Aug-24	117.20	138.80

Source: NSE Portal

**G) Performance in comparison to broad based indices such as NSE Sensex, CRISIL Index, etc.:  
Not Applicable.**

**H) REGISTRAR & SHARE TRANSFER AGENTS:**

Pursuant to the SEBI directive, the Company has appointed M/s Skyline Financial Services Private Limited as Share Transfer Agent for maintaining all the work related to share registry in terms of both physical and electronic form. Shareholders can communicate with them for lodgment of transfer deeds and their queries at the following address.

**Skyline Financial Services Private Limited**

**D-153 A | 1<sup>st</sup> Floor | Okhla Industrial Area,**

**Phase - I, New Delhi-110 020.**

**Tel.: 011-26812682-83, 40450193 to 97**

**Mobile: 9999589742**

**Web: www.skylinerta.com**

**I) SHARE TRANSFER SYSTEM:**

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. The Executives of the Registrar are empowered to approve transfer of shares and debentures and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed



by the Registrars within 15 days. The following compliances pertain to share transfers, grievances, etc.:

1. Pursuant to Regulation 7(3) of the SEBI Listing Regulations, certificates are filed with the stock exchanges on half yearly basis by the Compliance Officer and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate share transfer facility.
2. Pursuant to Regulation 13(2) of the SEBI Listing Regulations, a statement on the pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.
3. A Company Secretary-in-Practice carries out a Reconciliation of Share Capital Audit on a quarterly basis to reconcile the total admitted capital with depositories viz National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
4. Pursuant to Regulation 61(4) read together with Regulation 40(9) of the SEBI Listing Regulations, a Certificate by the Company Secretary-in-Practice is filed with the stock exchanges within one month from the end of each half of the financial year, certifying that all certificates are issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/ allotment monies

		<b>Shareholders as on 31.03.2023</b>	
<b>Sl. No.</b>	<b>Name of shareholder</b>	<b>No. of equity Shares</b>	<b>As a % of Issued Capital</b>
<b>Promoters</b>			
1.	Mr. Kunal Lalani	43,90,160	17.97%
2.	Mrs. Vimi Lalani	22,00,800	9.01%
3.	M/s Vimi Investments and Finance Pvt. Ltd.	1,13,40,000	46.62%
<b>Total – A</b>		<b>1,79,30,960</b>	<b>73.40%</b>
<b>Promoter Group</b>			
4.	Mr. Vishal Lalani	24,000	0.10%
5.	Mr. T.M. Lalani	800	0.00%
<b>Total – B</b>		<b>24,800</b>	<b>0.10%</b>
<b>Public</b>			
6.	Public Shareholders	64,74,240	26.50%
<b>Total – C</b>		<b>64,74,240</b>	<b>0.25%</b>
<b>Grand Total (A+B+C)</b>		<b>2,44,30,000</b>	<b>100%</b>

**J) Distribution of Shareholding as on 31<sup>st</sup> March, 2024:**

<b>Share or Debenture holding Nominal Value (Rs.)</b>	<b>Number of Shareholders</b>	<b>% to Total Numbers</b>	<b>Share or Debenture holding Amount (Rs.)</b>	<b>% to Total Amount</b>
1	2	3	4	5
Up To 5,000	0	0.00	0.00	0.00
5001 To 10,000	369	36.11	3688000.00	1.51
10001 To 20,000	323	31.60	6460000.00	2.64
20001 To 30,000	57	5.58	1710000.00	0.70
30001 To 40,000	70	6.85	2800000.00	1.15
40001 To 50,000	26	2.54	1300000.00	0.53
50001 To 1,00,000	74	7.24	5516000.00	2.26
1,00,000 and Above	103	10.08	222826000.00	91.21
<b>Total</b>	<b>1022</b>	<b>100.00</b>	<b>244300000.00</b>	<b>100.00</b>

**K) Dematerialization of shares:**

The Company has arrangements with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of our shares for scripless trading. 100.00 % of shares of the Company were held in dematerialized form as on the date of this report.

**L) Outstanding GDR'S/ADR's/ Warrants or any Convertible instruments, conversion date and likely impact on equity**

There are no Outstanding GDR'S/ADR's/ Warrants or any Convertible instruments

**M) Commodity price risk or foreign exchange risk and hedging activities**

Not Applicable

**N) Plant Location**

The Company does not carry any manufacturing activity. However, it mainly operates from its registered office the address of which is given above

**O) Address for correspondence:****Crayons Advertising Limited**

Registered Office: NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Estate, Phase-III, New Delhi-110020

**12. Other Disclosures****1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.**

During the period under review, the company had not entered into any material transaction with any of its related party. None of the transactions with any of related parties were in conflict with the company's interest. All related party transactions are on arm's length basis and are intended to further the company's interest.

**2. Details of non-compliance by the company, penalties and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

There has been no non-compliance by the Company nor were any penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years.

**3. Whistle Blower policy and affirmation that no personnel have been denied access to the audit committee.**

Your Company has formulated a Whistle Blower Policy in compliance with Companies Act, 2013 and SEBI LODR as part of vigil mechanism of the Company. There is graded reporting structure under the Policy and also provides provision for direct access to Chairman of Audit Committee. Board of Directors affirms that no personnel have been denied access to the audit committee.

**4. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause**

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

**5. Web link where policy for determining 'material' subsidiaries is disclosed;**

At present, your Company does not have a Material Subsidiary, so no policy for determining material subsidiary is required to be disclosed on the website of the company.

**6. Disclosure of commodity price risks and commodity hedging activities**

Not Applicable

**7. Company try to adopt the discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**General**

A certificate duly signed by the Chief Financial Officer and Managing Director relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in Part B of Schedule II of SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 was placed before the Board, who took the same on record.

1. Profile and other information regarding the Directors being appointed/re-appointed as required under Regulations 36(3) of SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 have been given in the Notice of the Annual General Meeting annexed to this Annual Report.
2. The Company follows a formal management policy and system of legal compliance and reporting to facilitate periodical review by the Board of compliance status of laws applicable to the company and steps taken to rectify non-compliance, if any.
3. The Company's senior management has confirmed to the Board of Directors that they do not have any personal interest related to its material, financial and commercial transactions that may have a potential conflict with the interests of the Company at large.
4. Declarations by the Chief Financial Officer regarding compliance by board members and senior management personnel with the company's code of conduct.

Mr. Rajat Singhal, Chief Financial Officer of the Company has furnished the requisite declaration affirming compliance with the Code of Conduct by the board members and senior management personnel, for the financial year ended 31<sup>st</sup> March, 2024, which is attached with the report.

5. The company has complied with all the Accounting Standards applicable to the company.
6. Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is attached herewith as part of Annual Report.

**For and on behalf of the Board of Directors  
Crayons Advertising Limited**

**Sd/-  
(Kunal Lalani)  
Managing Director and Chairman  
DIN: 00002756**

**Place: New Delhi  
Date: 05.09.2024**



**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

<b>Sl. No.</b>	<b>Particulars</b>	<b>No. of Shareholders</b>	<b>No. of Share</b>
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	-	-
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account	-	-
3.	During the year	-	-
4.	Number of shareholders to whom shares were transferred from suspense account during the year	-	-
5.	Number of shareholders who have not claimed dividend for last 7 years, and whose shares have been transferred to IEPF account of MCA from Demat Suspense Account Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year. The voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares	-	-

**Annexure-A (1)****CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members  
Crayons Advertising Limited  
NSIC Complex, Maa Anandmayee Marg  
Okhla Industrial Estate, Phase-III, New Delhi-110020

I have examined the compliance of conditions of Corporate Governance by Crayons Advertising Limited ("The Company") having CIN: L52109DL1986PLC024711 for the year ended March 31, 2024, as stipulated in Regulations 17-27 and clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. This examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17-27 and clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR VASISHT & ASSOCIATES**  
(COMPANY SECRETARIES)

**Sd/-**  
**CS SHOBHIT VASISHT**  
**Proprietor**  
**UDIN: F011517F000515878**  
**PR: 2355/2022**  
**FCS No.: 11517**  
**C.P. No.: 21476**

**Place: Faridabad**  
**Date: May 27, 2024**

## Management Discussion and Analysis Report

### (a) Business Overview & Discussion On Financial Performance With Respect To Operational Performance

The company treats marketing and advertising fundamentals to business strategy and revenue management. It provides outdoor, print, ground events/activations and digital marketing.

The offering of outdoor media includes advertising on hoardings, billboards on roads, highways, streets, lamp post boards, mobile sign trucks, kiosks, traffic booths, etc. The company helps its clients run focused campaign in consumer-populated areas. The company is focused on cost-effective and impactful solutions tailor-made as per their client needs so that their clients get the necessary reach and frequency to further propel their business.

The company is also engaged in events management which includes planning, organizing, and managing events. Crayons Advertising Limited manages commercial events, corporate events, cultural events, and also small brand promotion events for their clients.

They are also engaged in branding and designing through print and online & digital media and also design various publicity materials for their clients. The company has in-house Creative and design capabilities for the same.

The company has always believed in the best quality in its services. The company is dedicated to the quality of its services and adheres to quality standards as prescribed by its clients. The company strives for complete transparency and satisfaction of its clients with an unwavering thrust and focus on professional excellence and integrity.

It is focused on increasing the number of client relationships and having more relationship managers to service these relationships. Its strategy is to increase the number of client relationships and then leverage those client relationships into offering a whole suite of financial products.

The financial statements have been prepared in accordance with the requirement of the Companies Act, 2013 and applicable Accounting Standards issued by the Institute of Chartered Accountant of India.

(Rs. in Lakhs)

Particulars	FY 2023-24	FY 2022-23	Change %
<b>Revenue from contracts with customers</b>	<b>20,154.90</b>	<b>27,568.45</b>	<b>-26.89%</b>
Cost of Services	15,145.63	23,017.56	-34.20%
Employee benefits expenses	1,404.96	1,149.46	22.23%
Other expenses	1,547.25	1,506.88	2.68%
<b>EBITDA</b>	<b>2,057.06</b>	<b>1,894.55</b>	<b>8.58%</b>
% EBITDA Margin	10.21	6.87	48.52%
Depreciation and amortisation expenses	138.82	110.49	25.64%
Finance costs	91.86	79.06	16.19%
Other income (Excl. Liabilities written back, if any)	450.07	546.46	-17.64%
<b>Profit Before Tax and Share of loss of an associate</b>	<b>2,276.45</b>	<b>2,251.46</b>	<b>1.11%</b>
Share of loss of an associate	-	-	-
<b>Profit Before Tax (PBT)</b>	<b>2,276.45</b>	<b>2,251.46</b>	<b>1.11%</b>
(Less): Total tax	586.16	592.19	-1.02%
(Less): Non-controlling interest	-	-	-
<b>Profit After Tax (PAT) net of non-controlling interest</b>	<b>1,690.29</b>	<b>1,659.27</b>	<b>1.87%</b>
% Profit Margin	8.39	6.02	39.34%
<b>Normalized PAT (net of non-controlling interest)</b>	<b>1,690.29</b>	<b>1,659.27</b>	<b>1.87%</b>
% Normalized PAT Margin	8.39	6.02	39.34%

**(b) Opportunities and Threats:**

In today's dynamic business environment which is filled with rapid change of technology, government policies, mounting competitive threats and constant new entrants into market, makes it challenging to sustain and handle the intricacies and provide competitive solutions to its clients. We face competition from domestic and international Companies. We foresee this competition to continue to grow as the demand for advertising and monetizing solutions increases. Further we believe that our competition also depends on several factors which include currency fluctuations, changing business framework, information technology policies, difficult to retain skilled staff etc. We currently operate globally from our offices in four countries. We believe we can extend our marketplace platform through international expansion to help automate and improve advertising for buyers and sellers globally. We intend to grow our market share in our existing international markets. We also plan to expand our business operations into

**(c) Outlook:**

Our technology is a key factor affecting our performance. We plan to continue to make substantial investments in our technology and research and development to enhance the effectiveness of our solution. We sell our solution to advertisers and publishers through our global direct sales team, which operates from our locations in India, US, UK and UAE. This team leverages its market knowledge and expertise to demonstrate the benefits to advertisers and publishers of advertising automation and our solution. We are focused on managing our brand and increasing market awareness to do so, we often present at global industry conferences/exhibitions, create custom events and invest in public relations.

**(d) Risks and concerns:**

The digital advertising market is relatively new, and our solution may not achieve or sustain high levels of demand and market acceptance. While display advertising has been used successfully for many years, marketing via new digital advertising channels, such as mobile and social media and digital video advertising, is not as well established. The future growth of our business could be constrained by the level of acceptance and expansion of emerging digital advertising channels, as well as the continued use and growth of existing channels, such as digital display advertising, in which our capabilities are more established. It is difficult to predict the future growth rate and size of the digital advertising solutions market or the entry of competitive solutions. Any expansion of the market for digital advertising solutions depends on a number of factors, including the growth of the digital advertising market, the growth of social, mobile and video as advertising channels and the cost, performance and perceived value associated with digital advertising solutions. If demand for digital display advertising and adoption of automation does not continue to grow, or if digital advertising solutions or advertising automation do not achieve widespread adoption, or there is a reduction in demand for digital advertising caused by weakening economic conditions, decreases in corporate spending or otherwise, our competitive position will be weakened, and our revenue and results of operations could be harmed.

**(e) Internal control systems and their adequacy:**

Crayons has well-established Internal Control Systems, commensurate with the size, scale and nature of its operations. Stringent controls and processes are in place to monitor and control our operations across the markets we operate in. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorised use or losses, and compliances with applicable regulations. For FY 2025, the Board has also appointed M/s Mahadev Bhansali & Co., the Chartered Accountants as Internal Auditors to maintain its independence, the Internal Auditor reports to the Audit Committee chaired by an Independent Director of the Board. Internal Audit team conducts half yearly audits, which include review of operating effectiveness of internal controls. Based on the report of Internal Auditor, reviewed quarterly by the Audit Committee, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The Risk Management Committee oversees the overall process of risk management throughout the organisation. Business Heads and Support Function Heads are also responsible for establishing effective internal controls within their respective functions. The Company's business units and corporate functions address risks through an institutionalized approach aligned to the Company's objectives.

**(f) Human Resources Review:**

Crayons is committed to nurturing an environment that promotes inclusive growth and drives thought leadership. With this objective in place, we have drawn a comprehensive human resource strategy which



addresses all key aspects of human resource development including (i) adoption of fair business practices; (ii) promoting workforce diversity, evolution of performance-based compensation packages to attract and retain the talent; (iii) rewards & recognition and several best-in-class employee initiatives; and (iv) delivery of training programs to improve technical, functional and managerial competence.

As at March 31, 2024, our total employee count on a consolidated basis was 184, of the total, 72.83% were men and 27.17% were women employees.

Crayons strives to provide a workplace environment that is safe, hygienic, humane and upholds the dignity of the employees. The Company imparted training to all the employees on Prevention of Sexual Harassment at workplace. Psychological trainings were conducted to help employees develop mental fitness through Mind Fitness and Stress Management, particularly during the pandemic times.

**(g) Compliance:**

Crayons observes compliance practices of the highest standard. The Compliance team closely monitors all the compliances with special attention to those relevant to the Company. The Company follows all prudential norms laid down and submits all mandatory returns and statements in time. The Company has put in place a robust framework of internal controls that include precise delegation of authority and Standard Operating Processes which are available in all business segments and functions. The Company follows a practice of monitoring various internal control functions in-house as well as through external auditors whenever required or mandated. The Company also reviews risk management processes on a regular basis and documents the results.

**(h) Details of significant changes in key financial ratios:**

Key Ratios	As of March 31, 2024	As of March 31, 2023
Return on Net Worth (%)*	0.16	0.31
Return on Capital Employed (%)*	0.69	0.92
Total Debt/Equity	0.14	0.18
Interest Coverage Ratio	11.33	29.48
Current Ratio	2.15	1.46
Diluted Earnings per Share (Rs.)	7.21	9.22

**Detail of Net-Worth of the company**

(Amount in Lacs)

Particulars	As on 31.03.2024	As on 31.03.2023
Net Worth	10,396.23	5,383.22

**(i) Disclosure of Accounting Treatment:**

Company has adhered all Accounting Policies applicable to it as per the Securities Laws and applicable provisions of Companies Act, 2013 and Rule made thereunder.

**(j) Cautionary Statement:**

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as "forward looking statements" only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the Country and such other factors.

**For and on behalf of the Board of Directors  
Crayons Advertising Limited**

**Sd/-  
(Kunal Lalani)  
Managing Director and Chairman  
DIN: 00002756**

**Place: New Delhi**

**Date: 05.09.2024**



**Particulars of Employees**

**I. DETAILS OF TOP EMPLOYEES IN TERMS OF REMUNERATION DRAWN AS PER PROVISIONS OF SECTION 197(12) OF THE ACT READ WITH RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Sl. No.	Name and Age of the Employee	Designation of the Employee	Remuneration Received (Amount in Rs.)	Nature of employment whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Last employment	The percentage of equity shares held by the employee within the meaning of clause (iii) of sub-rule (2) of rule 2 of Companies (Appointment and Remuneration) Rules, 2014	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1.	Samir Datar Age: 58 Years	Chief Strategy Officer	3834894.00	Non Contractual	Graduate, 33 Years of Experience in Advertising Industry	2.10.2020	Hakuhodo, New Delhi	Nil	N.A.
2.	Kunal Lalani Age: 63 years	Managing Director	3681153.00	Non Contractual	Graduate, 38 Years of Experience	01.08.1986	N.A.	17.97	N.A.
3.	Ramesh Chandra Sharma Age: 45 Years	Branch Director	3192000.00	Non Contractual	Graduate, 20 Years of Experience	01.10.2020	Percept/H Pvt. Ltd.	Nil	N.A.
4.	Manoj Jacob Age: 48 Years	Executive Creative Director	3151326.00	Non Contractual	Graduate, 21 Years of Experience in Creative Work	04.08.2022	BBDO, Bangalore	Nil	N.A.
5.	Vishwatosh Das	VP Client Servicing	3003633.00	Non Contractual	Graduate, 26 Years of Experience in Advertising Client Servicing	05.01.1998	N.A.	Nil	N.A.
6.	Rajat Singhal Age: 38 years	Chief Financial Officer	2937213.00	Non Contractual	Chartered Accountant, 15 Years of Experience	20.05.2019	Times Innovative Media Ltd	Nil	N.A.
7.	Vimi Lalani Age: 57 Years	Vice President	2750700.00	Non Contractual	Graduate, 25 years of Advertising Experience	01.08.2018	N.A.	9.01	Wife of Mr. Kunal Lalani
8.	Vinita Bhirani Age: 58 Years	Senior Copy Writer	2656800.00	Non Contractual	Graduate, 26 Years of Experience	24.04.1998	N.A.	Nil	N.A.
9.	Aejazz Ahmed Age: 42 Years	Creative Director	2542752.00	Non Contractual	Graduate, 18 Years of Experience in Creative Work	16.08.2016	Cheil India	Nil	N.A.
10.	G. Vijay Anand Age: 40 Years	Branch Director	2107502.00	Non Contractual	Graduate, 22 Years of Advertising Experience	02.01.2019	RK Swamy BBDO	Nil	N.A.

\* Mr. Gagan Mahajan has joined as Company Secretary on 8<sup>th</sup> May 2023.



**II. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Name of Director/KMP and designation	Remuneration Of Director/KMP for financial year 2023-24 (in Rs. Lacs) (Net Salary Paid-Annually)	Median remuneration of employees (in Rs. Lacs) (Per Annum)	Ratio of remuneration of each Director/ KMP to median remuneration of employees	% increase in Remuneration of each director CFO, CEO, CS or Manager
Kunal Lalani (Managing Director & Chairman)	36.81	4.50	8.18	NIL
Vimi Lalani (Director)	27.50		6.11	27.22%
Rajat Singhal (Chief Financial Officer)	29.37		6.53	20.00%
Gagan Mahajan (Company Secretary)	7.68		1.71	NIL

**Note:**

- Independent Directors receive only sitting fees for attending Board and Committee meetings

**III. The percentage increase in remuneration of Key Managerial Personnel (KMP) in the financial year and comparison of the remuneration of each Key Managerial Personnel (KMP) against the performance of the Company:**

Name of Director/KMP and designation	% increase in Remuneration of each director CFO, CEO, CS or Manager
Kunal Lalani (Managing Director & Chairman)	NIL
Vimi Lalani (Director)	27.22%
Rajat Singhal (Chief Financial Officer)	20.00%
Gagan Mahajan (Company Secretary)	Nil

**IV. The percentage increase in the median remuneration of employees on the rolls of the Company in the financial year:**

Median Remuneration in current year (Per Annum) (in Rs. Lacs)	Median Remuneration in previous year (Per Annum) (in Rs. Lacs)	% increase
4.50	4.79	-6.05

**V. The Number of permanent employees on the rolls of company:**

There are 184 regular employees on the rolls of Company as on 31<sup>st</sup> March, 2024.

**VI. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**



## PARTICULARS OF EMPLOYEES

Sl. No.	Particulars	Average % Increase
1.	Increase in salary of Key Managerial Personnel	20.00%
2.	Increase in salary of employee (other than Key Managerial Personnel)	23.54%

**Note:** While Calculating Increase in salary of Key Managerial Personnel and other employees, those who joined and resigned during the year is excluded.

The remuneration of the Managing Director is decided by the Nomination and Remuneration Committee on the basis of individual performance and industry trends. While deciding the remuneration, the Committee also considers various facts such as Director's participation in the Board Meeting, time spent in carrying out other duties, roles, functions and responsibilities.

**VII. Affirmation that the remuneration is as per the remuneration policy of the Company:**

Pursuant to Rule 5(1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company during the year.

**For and on behalf of the Board of Directors  
Crayons Advertising Limited**

**Sd/-  
(Kunal Lalani)**

**Managing Director and Chairman  
DIN: 00002756**

**Place: New Delhi  
Date: 05.09.2024**



**Form AOC-1****(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

**Part A – Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Your Company has no subsidiary company during the year under review.

**Part B – Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

<b>Name of Associates or Joint Ventures</b>	<b>BB&amp;HV Private Limited</b>
1. Latest audited Balance Sheet Date	31.03.2024
2. Date on which the Associate or Joint Venture was associated or acquired	1 <sup>st</sup> April 2023
3. Shares of Associate or Joint Ventures held by the company on the year end	
(a) No. of Shares held	1,38,40,550
(b) Amount of Investment in Associate/Joint Venture	Rs. 1,07,20,275.00
(c) Extent of holding %	31.14%
4. Description of how there is significant influence	Associate Company
5. Reason why the associate/joint venture is not consolidated	Consolidated
6. Net Worth attributable to shareholding as per latest audited Balance Sheet	Rs. 5,24,20,580.00
7. Profit or Loss for the year	Rs. 2,07,73,390.00
i. Considered in Consolidation	Rs. 64,68,833.65
ii. Not Considered in Consolidation	Rs. 1,43,04,556.35



## FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2024 which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis

Name of the related party	Nature of relationship	Duration of the contracts/ arrangements/ transaction	Nature of transaction	Amount (in Rs. Lacs)
Cash UR Drive Marketing Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel to whom transaction's entered during the year	Not Applicable	Service received	446.91
Coeus Communications India LLP		Not Applicable		57.18
Omni Media Communications Pvt. Ltd.		Not Applicable		14.1
Mega Cabs Ltd.	Enterprises owned or significantly influenced by key management personnel to whom transaction's entered during the year	Not Applicable	Service Provided	710
YAAP Digital Ltd.		Not Applicable		7.1
Cash UR Drive Marketing Pvt. Ltd.		Not Applicable		591
Indication Instruments Ltd.		Not Applicable		2.03
Mega Cabs Ltd.	Enterprises owned or significantly influenced by key management personnel to whom transaction's entered during the year	Not Applicable	Payables	141.21
Cash UR Drive Marketing Pvt. Ltd.		Not Applicable		0.06
Omni Media Communications Pvt. Ltd.		Not Applicable		69.3
Mega Cabs Ltd.	Enterprises owned or significantly influenced by key management personnel to whom transaction's entered during the year	Not Applicable	Receivable	0.32
Kunal Lalani		Not Applicable		0.66
Cash UR Drive Marketing Pvt. Ltd.		Not Applicable		507.95
Omni Media Communications Pvt. Ltd.		Not Applicable		7.63
YAAP Digital Ltd.		Not Applicable		103.45

For and on behalf of the Board of Directors  
Crayons Advertising Limited

Sd/-  
(Kunal Lalani)

Managing Director/Chairman  
DIN: 00002756

Place: New Delhi

Date: 05.09.2024

## NOMINATION & REMUNERATION POLICY

### 1. Introduction:

In terms of Section 178 of the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management of Crayons Advertising Limited ("the Company") has been adopted by the Board of Directors.

This policy shall act as guidelines on matters relating to the appointment/re-appointment, remuneration, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

### 2. Definitions:

In this policy unless the context otherwise requires:

- a) Act: means the Companies Act, 2013 and rules there under, as amended from time to time.
- b) Board: means "Board of Directors" of Crayons Advertising Limited.
- c) Director: means Directors of the Company appointed under the Companies Act 2013
- d) Independent Director: means a Director referred to in Section 149 (6) of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) Committee: means "Nomination & Remuneration Committee" of the Company as constituted by the Board from time to time.
- f) Key Managerial Personnel or KMP: means Managing Director, Whole-time Director/Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and such other persons who may be considered to be KMP under the Companies Act, 2013 or as may be identified by the Board.
- g) Senior Management means officers/personnel of the Company who are members of its core management team. The core management team includes Chief Executive Officer, Managing Director, Chief Operating Officer & Whole-time Director/Executive Director, Chief Revenue Officer, Chief Technical Officer, Chief of Human Resources, Chief Financial Officer and Company Secretary.
- h) Listing Regulations means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

### 3. Appointment of Director, Key Managerial Personnel & Senior Management

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or KMP and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

Appointment of Senior Management Personnel shall be in accordance to Company's HR policy. The Company's policy is committed to acquire, develop and retain a pool of high calibre and talent, establish systems and practices for maintaining transparency, fairness and equity and provides for payment of competitive pay packages matching industry standards.

### 4. Remuneration of Executive Director, KMP and Senior Management Personnel

- a) The remuneration / compensation / commission etc. to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company, wherever required.
- b) The remuneration and commission to be paid to the Executive Directors shall be in accordance with the percentage / limits / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act/Listing Regulations.



- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board in the case of Executive Directors, which should be within the limits approved by the Shareholders and in accordance with the provisions of the Act.
- d) Remuneration of Senior Management Personnel shall be as per the policy of the Company based on the grade structure in the Company. The Chairman/ CEO/ Managing Director of the Company is authorized to decide any payments or compensation changes to Senior Management.
- e) Commission: may be paid to the Executive Director, as may be applicable, within the monetary limit approved by shareholders, subject to the limits prescribed under the applicable provisions of the Act.
- f) Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of the Act.
- g) Provisions for excess remuneration: If any Chairman/Managing Director/Whole-time Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act/Listing Regulations or without the necessary approvals /, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless necessary approvals are obtained under the Act/ Listing Regulations.

(ii) Remuneration of Independent Directors/Non-Executive Director

**Sitting Fees**

The Independent Directors of the Company are entitled to sitting fees as determined by the Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Companies Act, 2013.

The Non-Executive Non Independent Directors may be paid sitting fees in accordance with the provisions of Companies Act, 2013.

Currently the Company does not pay any sitting fee to its Non-Executive Non Independent Director.

**Commission**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

The aggregate commission payable to the Independent Directors and Non-Executive Non-Independent Directors will be recommended by the Nomination & Remuneration Committee to the Board based on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

Currently, the Company does not pay any commission to its Directors.

**5. Change in Directors & Key Managerial Personnel:**

The Committee may recommend to the Board, changes in Board or Key Managerial Personnel subject to the provisions of the Act, Listing Regulations and applicable policies framed and adopted by the Company from time to time.

The Board of Directors will have the discretion to retain the Key Managerial Personnel in the same position / remuneration or revised remuneration after attaining the date of superannuation for organisational development reasons.

**6. Evaluation**

The evaluation of the performance of the Board and individual Directors shall be carried out in accordance with provisions of Companies Act, 2013 and Listing Regulations on an Annual Basis on the basis of self-assessment forms to be reviewed by the Committee annually.

The evaluation of the performance of the Key Managerial Personnel who are not Directors of the Company, Senior Management Personnel shall be conducted as per Company's HR Policies.



#### **7. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### **8. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### **9. Amendments**

The Board on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.



## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2023-24

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**CRAYONS ADVERTISING LIMITED**

CIN: L52109DL1986PLC024711

NSIC Complex, Maa Anandmayee Marg

Okhla Industrial Estate, Phase-III, New Delhi-110020

I, Shobhit Vasisht, Proprietor of Vasisht & Associates, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CRAYONS ADVERTISING LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on the verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company during Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and amendments thereof regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009 (Not Applicable to the Company during Audit period);
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Not Applicable to the Company during Audit period);
  - (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021 (Not Applicable to the Company during Audit Period);
- (vi) I further report that the system and processes of the Company are in place to ensure the compliance with general laws like Shop & Establishment Act 1948, Minimum Wages Act 1948, The Employees'



Provident Funds and Miscellaneous Provisions Act, 1952. Maternity Benefit Act, 2017, The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 etc. For the purpose of examining adequacy of compliance with other applicable laws including industry / sector specific laws, under both Central and State legislation, reliance has been placed on the representation made by the Company and its officers for systems and mechanism formed by the Company for the compliance under these laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditor(s) and other designated professionals.

I have also examined compliance with the applicable provisions of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meeting and General Meeting;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above.

**I further report that:**

- The Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- The dissenting members' views were not required to be captured and recorded as part of the minutes as there were no such instance.
- There are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines

During the period under review, as explained and represented by the management, following specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., have been undertaken by the Company.

- With the approval of shareholders, in their duly convened Extra-Ordinary General Meeting held on 14<sup>th</sup> December 2023:
  - The Company has altered the Article of Association of the Company for issuance of share warrants subject to, and in accordance with the provisions of the all-applicable laws.
  - The Company has passed a resolution for issuance of upto 1,00,000 warrants convertible into Equity Shares on Preferential Basis to the Promoters of the Company.
  - The Company has passed a resolution for issuance of upto 4,00,000 Equity Warrants convertible into Equity shares on Preferential Basis to Non- Promoters/Public Category shareholders of the Company.

**For VASISHT & ASSOCIATES;**  
(Company Secretaries)

Sd/-  
**CS SHOBHIT VASISHT**  
UDIN: F011517F000445027  
PR No.: 2355/ 2022  
FCS No.: 11517  
C.P. No.: 21476

**Place: Faridabad**  
**Date: May 24, 2024**

**Note:** This report is to be read with the letter of even date which is annexed as Annexure G(1) and forms an integral part of this report.



To,  
The Members,  
**CRAYONS ADVERTISING LIMITED**  
CIN: L52109DL1986PLC024711  
NSIC Complex, Maa Anandmayee Marg,  
Okhla Industrial Estate, Phase-III, New Delhi-110020

This report of even date is to be read along with this letter –

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, i followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VASISHT & ASSOCIATES;**  
(Company Secretaries)

**Sd/-**  
**CS SHOBHIT VASISHT**  
**UDIN: F011517F000445027**  
**PR No.: 2355/ 2022**  
**FCS No.: 11517**  
**C.P. No.: 21476**

**Place: Faridabad**  
**Date: May 24, 2024**





## Annual Report on CSR Activities for Financial Year ended March 31, 2024

- Brief outline on CSR policy of the Company:** The Company's focus area is Food Supply, Education & Environment. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Brief outline on CSR Policy is given in CSR policy of the Company which has been uploaded on the website of the Company and can be accessed at [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com).
- Composition of CSR Committee:**

Name of the Director	Designation in the Committee	Nature of Directorship	Meeting Entitled to Attend	Meeting Attend
Mrs. Vimi Lalani	Chairperson	Non-Executive Director	2	2
Mr. Surendra Kumar Pagaria	Member	Non-Executive Independent Director	2	2
Mr. Atul Jeevandharkumar Hedge	Member	Non-Executive Director	2	2

- Provide the web-link where Composition of CSR committee and CSR Policy approved by the Board are disclosed on the website of the Company: <https://thecrayonsnetwork.com/policies>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-Rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **not applicable.**
- Details of the amount available for set off in pursuance of sub-Rule (3) of Rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NIL**
- Average net profit of the Company as per section 135(5): **₹1833.71 lakhs.**
- Two percent of average net profit of the Company as per section 135(5): **₹12.22 lakhs.**
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
  - Amount required to be set off for the financial year: **NIL**
  - Total CSR obligation for the financial year (7a+7b-7c): **₹12.22 lakhs**
- CSR Amount spent or unspent for the Financial Year:

Total amount spent for the financial Year (₹ in Lakhs)	Amount unspent (₹ in Lakhs)				
	Total amount transferred to unspent CSR Account as per section 135 (6)		amount transferred to any fund specified under schedule Vii as per second proviso to section 135 (5)		
	Amount	Date of Transfer	Name of fund	Amount	Date of Transfer
12.22	NIL	NA	-	NIL	NA

- Details of CSR amount spent against ongoing projects for the financial year: **NIL**
- Details of CSR amount spent against other than ongoing projects for the financial year:



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the act.	Local area (Yes/No)	location of the project. (State and District)	Amount spent for the project	Mode of Implementation - direct (Yes/No)	Mode of implementation - through implementing Agency	
							Name	CSR registration number
1.	Education Services	Children Education and Welfare Services	Yes	Delhi	5.00	Direct	Abhinandan Educational and Welfare Society	CSR00023690
2.	Child Development (Project-Pahel)	Children Education, Healthcare and Shelter	Yes	Delhi	2.22	Direct	Saksham Foundation	CSR00008201
3.	Support 100 Homeless and Sick People	Providing Food, Shelter and Medical care to Homeless Elderly People	Yes	Delhi	3.00	Direct	Saint Hardyal Education Orphan Welfare Society (SHEOWS)	CSR00000665
4.	Food Supply to needy people	Providing Food to Senior Citizens Deprived Females, Mentally Disabled Peoples.	Yes	Gurugram (Haryana)	2.00	Direct	The Earth Saviours Foundation	CSR00002026
<b>Total</b>					<b>12.22</b>			

- (d) Amount spent in Administrative Overheads: **NIL**  
 (e) Amount spent on Impact Assessment, if applicable: **NIL**  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **12.22 lakhs**  
 (g) Excess amount for set off, if any: ₹ **NIL**

Sl. No.	Particular	(₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	12.22
(ii)	Total amount spent for the Financial Year	12.22
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: **The Company has no unspent CSR Amount for the preceding years.**  
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**
2. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **NIL**
3. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): **not applicable.**



### **CERTIFICATION BY CHIEF FINANCIAL OFFICER OF THE COMPANY**

I Rajat Singhal, Chief Financial Officer of Crayons Advertising Limited, to the best of my knowledge and belief, certify that:

- a. I, have reviewed financial statements and cash flow statement for the year ended on March 31, 2024 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. I, accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-**  
**Rajat Singhal**  
**Chief Financial Officer**

**Date: 05.09.2024**  
**Place: New Delhi**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
THE MEMBERS OF  
Crayons Advertising Limited  
NSIC Complex, Maa Anandmayee Marg,  
Okhla Phase-III, New Delhi-110020

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CRAYONS ADVERTISING LIMITED** having **CIN: L52109DL1986PLC024711** and having its registered office at NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase-III, New Delhi-110020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs and any other Statutory Authority/ies.

Sl. No.	Name of Director	DIN	Date of Appointment
1.	Mr. Kunal Lalani	00002756	01/08/1986
2.	Mrs. Vimi Lalani	00010548	01/01/2002
3.	Mr. Hulas Mal Lalani	00257693	01/08/1986
4.	Mr. Vinod Zutshi	00502876	01/12/2022
5.	Mr. Atul Jeevandharkumar Hegde	02699927	01/12/2022
6.	Mr. Surendra Pagaria	02945040	21/01/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR VASISHT & ASSOCIATES**  
(Company Secretaries)

Sd/-  
**CS SHOBHIT VASISHT**  
Proprietor

UDIN: F011517F000438779  
PR No.: 2355/2022  
FCS No.: 11517  
C.P. No.: 21476

Place: Faridabad  
Date: May 24, 2024



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

[Pursuant to Regulation 34(3) and Schedule V of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

In Compliance with Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Kunal Lalani, Managing Director & Chairman of the Company, hereby declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct formulated by the Company for the financial year ended March 31, 2023 and there is no non-compliance thereof during the period under review.

**Sd/-**  
**(Kunal Lalani)**  
**Managing Director/Chairman**  
**DIN: 00002756**

**Place: New Delhi**

**Date: 05.09.2024**



## INDEPENDENT AUDITOR'S REPORT

To the Members of **Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited)**

### Report on the Audit of the Standalone Financial statements

#### Opinion

We have audited the accompanying Standalone Financial statements of **Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited)**, which comprise the balance sheet as at March 31 2024 the Statement of profit and loss and the cash flow statement for the year then ended, and notes to the Standalone Financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the Standalone Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Standalone Financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone 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 together with the ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules thereunder, 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 audit opinion on the Standalone Financial statements.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no Key audit matters to be communicated in our report.

#### Information Other than the Standalone Financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Annual Report, but does not include the Standalone Financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the Standalone 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 Standalone Financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibility of Management for the Standalone Financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014).



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 Standalone Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial statements.

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 Standalone 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 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 with reference to Standalone Financial statements 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 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 Standalone 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 Standalone Financial statements, including the disclosures, and whether the Standalone Financial statements 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication..

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("The Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
  - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Standalone Financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (g) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
  - (i) 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 Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.





- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(v) to the Standalone Financial statements, 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, 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, as disclosed in the note 43(vi) to the Standalone Financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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; and
- c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. The Company had made the assessment for books of account as per definition in the Act and identified FINAC as an accounting software used for the creation and maintenance of books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. Further, in case of the Company, audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with except some of the inherent limitations in tally (refer note 43(x) of the standalone financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

For **S.S. Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration Number: 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership Number: 500607

UDIN: 24500607BKEIWG5966

Place of Signature: New Delhi

Date: May 30, 2024



**Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report to the members of Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited) ("the Company") of even date**

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in note 11 to the Standalone Financial statements are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment or Intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 7 to the Standalone Financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details of the same is as follows

(Amount in Rs. in lakhs)

Quarter	Particulars	Amount as reported in the quarterly return/statement	Amount as per books of account	Difference
Quarter-4	Trade Receivable	6723.29	9042.75	(2319.46)
Quarter-4	Trade Payable	4994.21	5092.53	(98.32)
Quarter-3	Trade Receivable	3429.89	4250.02	(820.13)
Quarter-3	Trade Payable	2357.74	2518.12	(160.39)
Quarter-2	Trade Receivable	3682.41	4465.03	(782.62)
Quarter-2	Trade Payable	2462.11	2548.6	(86.49)
Quarter-1	Trade Receivable	1872.38	4969.69	(3097.31)
Quarter-1	Trade Payable	2602.39	2602.40	(0.01)

- (iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties as follows:

(Amount in Rs. in lakhs)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Others	-	-	2,078.00	-
Balance outstanding as at balance sheet date in respect of above cases				
- Others	-	-	2,706.00	-



- (b) During the year the terms and conditions of the grant of all loans to companies, are not prejudicial to the Company's interest. The Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties.
- (c) According to the books of accounts and records examined by us in respect of the loans and advances in the nature of loans granted to companies which are repayable on demand and has been disclosed as per clause.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdoes of existing loans given to the same parties.
- (f) As disclosed in note 43 to the Standalone Financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	2,706.00	-	-
Percentage of loans/ advances in nature of loans to the total loans	100%	-	-

- (iv) In our opinion and according to information and explanation given to us, the Companies has complied with the provision of section 185 and 186 of the Companies Act, 2013, as applicable, in respect of loans, investments, guarantees and security given.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) We are informed that there are no dues in respect of Sales Tax, Income Tax, Customs Duty, Excise Duty, Goods and Service Tax and Service Tax which have not been deposited on account of any dispute except below:

Sl. No.	Name of the statute	Nature of dues	Amount involved (Rs. in lakhs)	Period to which amount relates	Forum where the dispute is pending
1.	The Income Tax Act, 1961	Demand Under Section 143(3)	16.77	A.Y. 2017-18	CCIT (Appeals) NFAC
2.	The Income Tax Act, 1961	Demand Under Section 167(1)	3.65	A.Y. 2021-22	CPC
3.	The Income Tax Act, 1961	Demand Under section 143 (3)	2.13	A.Y. 2015-16	ITAT



- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the Standalone Financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Associate. The Company does not have any subsidiary or joint venture.
- (f) On an overall examination of the standalone financial statements of the Company, the Company has not raised loans during the year on the pledge of securities held in its Associate. The Company does not have any subsidiary or joint venture.
- (x) (a) The Company has raised money during the year by way of initial public offer hence, the requirement to report on clause 3(x)(a) of the Order is applicable to the Company. The amount raised, have been used for the purposes for which the funds were raised other than idle/surplus funds amounting to Rs 2,540.00 lakhs which were not required for immediate utilization have been invested in liquid funds, fixed deposits and interest-bearing loan given to group company repayable on demand (Refer Note No. 46 of Standalone financial statements).
- (b) The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) to 3(xii)(c) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable Indian accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.



- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement of this Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 38 to the Standalone Financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 42 to the Standalone Financial Statements.
- (xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 42 to the Standalone Financial Statements.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For S.S. Kothari Mehta & Co. LLP**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 000756N/N500441**

**Sd/-**  
**AMIT GOEL**  
**Partner**  
**Membership Number: 500607**  
**UDIN: 24500607BKEIWG5966**

**Place of Signature: New Delhi**  
**Date: May 30, 2024**

**Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial statements of Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited)****Report on the Internal Financial Controls under Clause (g) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act")**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Crayons Advertising Private Limited** ("The Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management 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. 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 the 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 Company's internal financial controls over financial reporting with reference to these Standalone Financial statements 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") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these Standalone Financial statements 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 over financial reporting with reference to these Standalone Financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Financial statements, 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 Standalone 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 internal financial controls over financial reporting with reference to these Standalone Financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial statements**

A company's internal financial control over financial reporting with reference to these Standalone Financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Standalone Financial statements 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 Standalone Financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable



assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone 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 with reference to these Standalone Financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone Financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Standalone Financial statements and such internal financial controls over financial reporting with reference to these Standalone Financial statements were operating effectively as at March 31, 2024, 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.

**For S.S. Kothari Mehta & Co. LLP**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 000756N/N500441**

**Sd/-**  
**AMIT GOEL**  
**Partner**  
**Membership Number: 500607**  
**UDIN: 24500607BKEIWG5966**

**Place: New Delhi**  
**Date: May 30, 2024**



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Standalone Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	2,443.00	1,800.00
Money received against share warrants		193.75	-
Reserves and surplus	4	7,953.23	3,583.22
<b>Total shareholders funds</b>		<b>10,589.98</b>	<b>5,383.22</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	341.75	318.40
Long-term provisions	6	180.89	176.55
<b>Total non- current liabilities</b>		<b>522.64</b>	<b>494.95</b>
<b>Current liabilities</b>			
Short-term borrowings	7	145.11	786.92
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises		98.03	485.91
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,994.50	3,843.77
Other current liabilities	9	2,081.49	1,973.23
Short-term provisions	10	113.26	44.69
<b>Total current liabilities</b>		<b>7,432.39</b>	<b>7,134.52</b>
		<b>18,545.01</b>	<b>13,012.69</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property plant and equipment	11	583.23	335.48
Intangible assets	11A	1.81	4.99
Capital work in Progress	11B	101.95	-
Non-current investments	12	993.15	879.68
Deferred tax assets (net)	13	124.09	123.41
Long-term loan and advances	14	628.18	1,068.59
Other non-current assets	15	122.36	193.92
<b>Total non- current assets</b>		<b>2,554.77</b>	<b>2,606.07</b>
<b>Current assets</b>			
Trade receivables	16	9,042.75	6,287.36
Cash and bank balances	17	1,369.33	1,535.64
Short-term loans and advances	18	3,499.17	1,733.61
Other current assets	19	2,078.99	850.01
<b>Total current assets</b>		<b>15,990.24</b>	<b>10,406.62</b>
		<b>18,545.01</b>	<b>13,012.69</b>
Significant accounting policies	2		





The significant accounting policies and accompanying notes are integral part of these standalone financial statements

As per our report of even date attached  
**For S.S.Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of  
**Crayons Advertising Limited**  
(Formerly known as Crayons Advertising Private Limited)

**Sd/-**  
**Amit Goel**  
Partner  
Membership No. 500607

**Place:** New Delhi  
**Date:** May 30, 2024

**Sd/-**  
**Kunal Lalani**  
Managing Director  
DIN No.: 00002756

**Sd/-**  
**Rajat Singhal**  
Chief Financial  
Officer

**Sd/-**  
**H.M. Lalani**  
Director  
DIN No.: 00257693

**Sd/-**  
**Gagan Mahajan**  
Company Secretary  
Mem No. A34028



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Standalone Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

<b>Particulars</b>	<b>Note</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b>Revenue</b>			
Revenue from operations		20,154.90	27,568.45
Other income	20	450.07	546.46
<b>Total revenue</b>		<b>20,604.97</b>	<b>28,114.91</b>
<b>Expenses</b>			
Cost of Service		15,145.63	23,017.56
Employee benefits expense	21	1,404.96	1,149.46
Finance costs	22	91.86	79.06
Depreciation and amortisation	22A	138.82	110.49
Other expenses	23	1,547.25	1,506.88
<b>Total expenses</b>		<b>18,328.52</b>	<b>25,863.45</b>
<b>Profit before taxation</b>		<b>2,276.45</b>	<b>2,251.46</b>
<b>Less: Tax expenses</b>			
- Current tax		593.70	605.90
- Earlier year tax expenses		(6.86)	(1.61)
- Deferred tax charge		(0.68)	(12.10)
<b>Net profit for the year after tax</b>		<b>1,690.29</b>	<b>1,659.27</b>
Earning per equity share:	24		
<b>Equity shares face value of Rupee 10 each</b>			
Basic earnings per share (In Rs.)		7.25	9.22
Diluted earnings per share (In Rs.)		7.21	9.22
Significant accounting policies	2		

The significant accounting policies and accompanying notes are integral part of these standalone financial statements

As per our report of even date attached  
**For S.S.Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of  
**Crayons Advertising Limited**  
(Formerly known as Crayons Advertising Private Limited)

**Sd/-**  
**Amit Goel**  
Partner  
Membership No. 500607

**Place:** New Delhi  
**Date:** May 30, 2024

**Sd/-**  
**Kunal Lalani**  
Managing Director  
DIN No.: 00002756

**Sd/-**  
**Rajat Singhal**  
Chief Financial  
Officer

**Sd/-**  
**H.M. Lalani**  
Director  
DIN No.: 00257693

**Sd/-**  
**Gagan Mahajan**  
Company Secretary  
Mem No. A34028



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Standalone Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in rupees lakhs, unless otherwise stated)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
<b>Net profit before tax</b>	<b>2,276.45</b>	<b>2,251.46</b>
<b>Adjustment for:</b>		
Loss on sale of Investments	69.55	50.90
Depreciation and amortization	138.82	110.49
Interest and finance charges	91.86	79.06
Interest income received	(275.77)	(181.28)
Amount written back	(0.85)	(26.76)
loss on sale of property plant & equipment	0.03	(249.35)
Profit from partnership firms	(47.02)	(17.46)
Provision for bad and doubtful debts	-	39.86
Bad debts written off	14.10	52.02
<b>Operating profit before working capital changes</b>	<b>2,267.17</b>	<b>2,108.94</b>
<b>Adjustment for:</b>		
(Decrease)/Increase in long term and short term provisions	22.18	30.65
(Decrease)/Increase in current and other liabilities	108.43	354.39
(Decrease)/Increase in trade payables	763.70	(1,465.37)
(Increase)/decrease in trade receivables and other asset	(3,998.50)	(1,130.11)
(Increase)/decrease in short-term loans and advances, other non current asset	(1,633.59)	290.33
<b>Cash generated from operations</b>	<b>(2,470.61)</b>	<b>188.83</b>
<b>Adjustment for:</b>		
Income tax paid (Net of refund)	(54.19)	(314.01)
<b>Net cash flow (used in) operating activities (A)</b>	<b>(2,524.80)</b>	<b>(125.18)</b>
<b>B. Cash flow from investing activities</b>		
Payment against purchase of property plant & equipment	<b>(485.76)</b>	<b>(660.28)</b>
Proceeds from sale of property plant & equipment	0.42	637.44
Purchase of intangible assets	-	(1.37)
(Purchase)/sale of investments (net)	(67.30)	(131.95)
Proceeds from sale of investments properties (net)	-	310.00
Investment in partnership firm (net of drawing)	(46.50)	(22.00)
Advance against Property	(41.50)	(409.05)
Interest income received	185.96	45.38
Fixed deposits (investment)/matured	(763.75)	25.09
<b>Net cash flow (used in) investing activities (B)</b>	<b>(1,218.43)</b>	<b>(206.74)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from short term borrowing (net)	(698.09)	111.19
Money received against share warrants	193.75	-
long term borrowings received (net)	79.62	33.57
Finance charges paid	(92.02)	(79.73)
Proceeds from issue of share capital (net of issue expenditure)	3,322.72	-



<b>Net cash flow from financing activities (C)</b>	<b>2,805.98</b>	<b>65.03</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(937.25)</b>	<b>(266.89)</b>
Cash and cash equivalents at beginning of the year	1,506.07	1,772.96
<b>Cash and cash equivalents at the end of the year</b>	<b>568.82</b>	<b>1,506.07</b>
	<b>As at</b>	<b>As at</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Components of closing cash and cash equivalents (Refer Note-17)		
Balance with banks in current accounts	556.05	1,467.76
Cash in hand	12.77	38.31
<b>Total cash and cash equivalents</b>	<b>568.82</b>	<b>1,506.07</b>

**Notes:**

1. The Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on 'Cash flows Statements' issued by the ministry of corporate Affairs.
2. Figures in brackets indicate cash outflow.

As per our report of even date attached  
**For S.S.Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of  
**Crayons Advertising Limited**  
(Formerly known as Crayons Advertising Private Limited)

**Sd/-**  
**Amit Goel**  
Partner  
Membership No. 500607

**Place:** New Delhi  
**Date:** May 30, 2024

**Sd/-**  
**Kunal Lalani**  
Managing Director  
DIN No.: 00002756

**Sd/-**  
**Rajat Singhal**  
Chief Financial  
Officer

**Sd/-**  
**H.M. Lalani**  
Director  
DIN No.: 00257693

**Sd/-**  
**Gagan Mahajan**  
Company Secretary  
Mem No. A34028



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to the Standalone financial statements for the year ended March 31, 2024**  
**(All Amounts are in rupees lakhs, unless otherwise stated)**

**1. CORPORATE INFORMATION**

Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited) is a public limited company registered under the erstwhile Companies Act 1956 in the business of advertising, branding and communication. It started its operations in 1986 has an all-India footprint with 9 offices. The company operates from its office at New Delhi.

The Board of Directors (Board) of the Company in their board meeting dated December 01, 2022 has approved raising of capital for the Company through an Initial Public Offering (IPO). Subsequent to the year end the Company has completed fresh issue of equity shares by Initial Public Offer ("IPO") of Equity Shares of the face value of Rs. 10/- each at an issue price of Rs. 65/- per Equity Share of 64,30,000 shares. Pursuant to the IPO, the Equity Shares of the Company were listed on National Stock Exchange of India Limited ("NSE")'s Emerger platform on June 02, 2023.

These standalone financial statements are presented in Indian Rupees.

**2. Summary of significant accounting policies:**

**a) Basis of preparation of standalone financial statements**

The standalone financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to Comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 & Companies (Accounting Standards) Amendment Rules, 2016 as amended. The standalone financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of standalone financial statements are consistent with those of previous year.

These standalone financial statements have been prepared by the management of the Company and approved by the board of directors at their meeting.

**b) Use of estimates**

The preparation of standalone financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**c) Property plant and equipment**

Tangible assets are stated at cost, less accumulated depreciation and impairment (if any). Cost consists of acquisition cost comprising purchase price (excluding rebates and discounts) and direct cost incurred to make the asset ready to use. All assets costing Rs. 5,000 or below are fully depreciated in the year of addition.

Subsequent expenditure related to an item of property plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from derecognition of property plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**d) Depreciation on property plant and equipment**

Depreciation on property plant and equipment is provided on written down value method considering the useful lives prescribed in Schedule II to the Companies Act, 2013.

**e) Intangible assets**



Intangible assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets are amortized over the expected duration of benefit or ten years on written down value method. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**f) Impairment of property plant and equipment and intangible assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) 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 company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

**g) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the Standalone financial statements at lower cost and fair value determined for each category separately. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**h) Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the



arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest 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 respective asset. All other borrowing costs are expensed in the period they occur.

**i) Foreign currency transactions and balances**

**Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**Exchange differences**

All other exchange differences are recognized as income or as expenses in the period in which they arise.

**j) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

**k) Contingent liabilities**

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 company 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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

**l) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**m) Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier



years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**n) Revenue recognition**

Revenue from operations are recognized on completion of the project and rendering of services. Interest income is recognized on the basis of accrual method on the rates applicable to the transactions.

**Rent is recognized on the basis of accrual as per the agreement.**

Income from investment is accounted for on accrual basis when the right to receive income is established.

Interest income is accrued on a timely basis, by reference to the principal outstanding and recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Rental income arising from operating lease is accounted on a straight line basis over the lease term.

In respect of others, Company recognized income when the right to receive is established.

**o) Employee benefits**

Retirement benefit in the form of provident fund contribution to statutory provident fund, pension fund, superannuation fund and ESI are defined contribution schemes. The contributions are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.





The company operates two defined benefit plans for its employees, viz., gratuity and provident fund contribution to Dalmia Cement Provident Fund Trust. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company 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.

**p) Accounting for lease**

**Where the company is lessee**

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Where the Company is lessor**

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

**q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate



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

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

**r) Segment reporting**

**Identification of segments**

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

**Inter-segment transfers**

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

**Segment accounting policies**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the company as a whole.

**s) Standards notified but not yet effective**

There are no standard notified and not yet effective as on the date.



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

3. Share capital	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised share capital</b>				
Equity shares of Rs.10/- each fully paid up	25,000,000	2,500.00	25,000,000	2,500.00
Issued, subscribed and paid up				
Equity shares of Rs.10/- each fully paid up	24,430,000	2,443.00	18,000,000	1,800.00
	<b>24,430,000</b>	<b>2,443.00</b>	<b>18,000,000</b>	<b>1,800.00</b>

**a) Reconciliation of shares outstanding at beginning and at end of the year ended.**

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity share outstanding at the beginning of the year	18,000,000	1,800.00	2,250,000	225.00
Bonus share issue during the year (refer foot note iii)	-	-	15,750,000	1,575.00
IPO allotment during the year (Refer foot note i & ii)	6,430,000	643.00	-	-
<b>Equity share outstanding at the end of the year</b>	<b>24,430,000</b>	<b>2,443.00</b>	<b>18,000,000</b>	<b>1,800.00</b>

- (i) On June 02, 2023, the Company has approved the issue and allotment of 64,30,000 fully paid-up equity shares of the Company to eligible Initial public offer in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 at an issue price of Rs. 65 per share (including securities premium of Rs. 55 per share) for a consideration of Rs.4179.50 lakhs. The post allotment, paid-up Equity Capital of the Company stands increased to Rs. 24,43,00,000/- consisting of 244,30,000 Equity Shares of face value of Rs.10/- each.
- (ii) Monies raised during the year by the Company by way of initial public offer were utilized for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid funds, fixed deposits and interest bearing loan given to group company repayable on demand.(Refer Note-46).
- (iii) During the year ended March 31, 2023, the Company on 15<sup>th</sup> December, 2022 allotted 157,50,000 bonus shares of face value of Rs. 10/- each. The bonus issue of share has been made in the ratio of 7:1 (i.e. 7 (seven) fully paid up equity share for every 1 (one) Equity share held to the shareholders on such date as may be determined by the board of directors after approval of share holder in board meeting).

**b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each equity share holder is entitled for one vote per share. Dividend, if declared and paid, will be in Indian rupees and shall be subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2024 and Year ended March 31, 2023, Company has not declared any dividend.

In the event of liquidation of the Company, the holder of equity shares shall be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion of the number of fully paid equity shares held by each shareholder.



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**c) Details of shareholders holding more than 5% shares in the Company**

Names	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% Shares held	No. of shares	% Shares held
Mr. Kunal Lalani	4,390,160	17.97%	4,390,160	24.39%
Mrs. Vimi Lalani	2,200,800	9.01%	2,200,800	12.23%
M/s Vimi Investments & Finance Pvt. Ltd.	11,340,000	46.42%	11,360,000	63.11%

**d) Note for verification of shareholding pattern**

As per records of the company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**e) The company for the period of five years immediately preceding the reporting date has not**

- (i) Allotted any class of share as fully paid pursuant to contract (s) without payment being received in cash
- (ii) Alloted fully paid up share by way of bonus share except for 157,50,000 share Rs 10 each in bonus issue on 15 December 2022.
- (iii) Bought back any class of share.

**f) Share Warrants**

The Company has issued and allotted 5,00,000 (Five lakh only) warrant convertible into equivalent number of equity shares, having face value of Rs 10/- per equity shares, within a period of 18 months from the dated of allotment i.e., 3rd January 2024 at an issue price of Rs.155/-(Rupees one hundred fifty five only) (including premium of Rs. 145/-each). The Company has received Rs. 193.75 lakhs being 25% of the total amount payable towards subscription of the warrants from all the allottees.

**As at 31 March, 2024**

Description	Promoter Name	No. of shares in the beginning of year	Change during the year	No. of shares at March 31, 2024	% of total Shares	% change during the year
Equity shares of INR 10 each fully paid	Kunal Lalani	4,390,160	-	4,390,160	17.97%	(6.42%)
Equity shares of INR 10 each fully paid	Hulas Mal Lalani	14,640	(14,640)	-	0.00%	(0.08%)
Equity shares of INR 10 each fully paid	Vimi Lalani	2,200,800	-	2,200,800	9.01%	(3.22%)
Equity shares of INR 10 each fully paid	Vishal Lalani	-	24,000	24,000	0.10%	0.10%
Equity shares of INR 10 each fully paid	Todar Mal Lalani	-	800	800	0.00%	-
Equity shares of INR 10 each fully paid	M/s Vimi Investments & Finance Pvt. Ltd.	11,360,000	(20,000)	11,340,000	46.42%	(16.69%)
<b>Total</b>		<b>17,965,600</b>	<b>(9,840)</b>	<b>17,955,760</b>	<b>73.50%</b>	<b>-</b>



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**As at 31 March, 2023**

Description	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at March 31, 2023	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Kunal Lalani	548,770	3,841,390	4,390,160	24.39%	-
Equity shares of INR 10 each fully paid	Hulas Mal Lalani	1,830	12,810	14,640	0.08%	-
Equity shares of INR 10 each fully paid	Vimi Lalani	275,100	1,925,700	2,200,800	12.23%	-
Equity shares of INR 10 each fully paid	M/s Vimi Investments & Finance Pvt. Ltd.	420,000	10,940,000	11,360,000	63.11%	-
<b>Total</b>		<b>1,245,700</b>	<b>16,719,900</b>	<b>17,965,600.00</b>	<b>99.81%</b>	<b>-</b>

**4. Reserves and surplus**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>General reserve</b>		
Opening balance	27.48	27.48
<b>Closing balance</b>	<b>27.48</b>	<b>27.48</b>
<b>Surplus in the statement of profit and loss</b>		
Opening balance	3,555.74	3,471.47
#VALUE!	1,690.29	1,659.27
Less: Bonus Share Issue year the ended March 31, 2023	-	-
<b>Closing balance</b>	<b>5,246.03</b>	<b>3,555.74</b>
<b>Share Premium</b>		
Opening balance	3,555.74	3,471.47
Add: Share premium received during the year	1,690.29	1,659.27
Less: Pre IPO expenses	-	(1,575.00)
<b>Closing balance</b>	<b>5,246.03</b>	<b>3,555.74</b>
<b>Share Premium</b>		
Opening balance	-	-
Add: Share premium received during the year	3,536.50	-
Less: Pre IPO expenses	(856.78)	-
<b>Closing balance</b>	<b>2,679.72</b>	<b>-</b>
<b>Total reserve &amp; surplus</b>	<b>7,953.23</b>	<b>3,583.23</b>

**5. Long term borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term loans from bank	258.28	314.67
Vehicle loans from bank	228.58	92.56
	<b>486.86</b>	<b>407.23</b>
Less: Amount disclosed under short term borrowing as current maturities of long term debt (Refer Note No. 7)	145.11	88.83
	<b>341.75</b>	<b>318.40</b>



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**Nature of security & terms of repayment:**

**Nature of security**

- a) Term loans from banks amounting to Rs. 258.28/- (previous year Rs. 314.67/-) and from others amounting Nil /- (previous year Rs. Nil).
- b) Vehicles loans from bank and other financial institutions amounting to Rs. 228.58/- (previous year Rs. 92.56/- are secured against hypothecation of vehicles).

**Terms of repayment:**

Bank Name	Terms of Repayment	Applicable Interest Rate	Amount O/S as on 31 March 2024	Amount O/S as on 31 March 2023
IndusInd Bank	Out of total repayment period of 60 months, moratorium period of 24 months and the principal shall be repaid in 36 equal installment after the moratorium period is over, last installment in Oct26	EBLR (Presently 9.25%) + 0.00% subject to max of 9.25% P.A.	101.61	118.00
IndusInd Bank	60 Equal monthly principal installments started from March-23.	Floating rate of CD 6 months loan Plus 1.42 % presently 8.5 % P.A at monthly rest.. Presently applicable bank's CD - six month -Loan is 7.08 %.	156.67	196.67
Axis bank	Repayment in 37 equal installment starting from 10 <sup>th</sup> Nov 2022	Fixed Int. 8.18%	60.13	92.56
Axis bank	Repayment in 60 equal installment starting from 01 <sup>st</sup> Dec 2023	Fixed Int. 8.75%	168.45	-
<b>Total Value</b>			<b>486.86</b>	<b>407.23</b>

**6. Long term provisions**

Particulars	As at March 31, 2024	As at March 31,2023
Provision for employee benefits:		
Provision for gratuity (Refer Note No. 39)	157.02	156.22
Provision for leave encashment (Refer Note No. 39)	23.87	20.33
	<b>180.89</b>	<b>176.55</b>

**7. Short term borrowings**

Particulars	As at March 31, 2024	As at March 31,2023
Secured cash credit#	-	698.09
Current maturities of long term debt (Refer Note No. 5)	145.11	88.83
	<b>145.11</b>	<b>786.92</b>

# Secured Cash credit facility carrying interest rate of Floating rate of CD - six months- CC/OD +1.42% presently 8.5 % P.A at monthly rest. Presently applicable bank's CD - six month -CC /OD is 7.08 %.

- 1) The cash credit limit has been secured by hypothecation charge on the current assets of the company both present and future.
- 2) Unencumbered fixed assets of the company both present and future.
- 3) Residential property- House no-1323, Sector-14, Urban Estate, Faridabad, Haryana owned by Durga Devi Lalani.



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

- 4) 10% cash margin for in the form of FD for BG Limit.  
(The company to maintain minimum collateral coverage (IP+CM) of 100% throughout the tenure of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank)

**Reconciliation of Quarterly Bank return**

Name of Bank	Quarter	Particulars	FY 2023-24		
			Amount as reported in the quarterly return/ statement	Amount as per books of account	Difference
Indusind Bank	March 31, 2024	Trade Receivable	6,723.29	9,042.75	(2,319.46)
	March 31, 2024	Trade Payable	4,994.21	5,092.53	(98.32)
	<b>Net Total</b>	<b>Trade Receivable</b>	<b>11,717.50</b>	<b>14,135.28</b>	<b>(2,417.78)</b>
	December 31, 2023	Trade Payable	3,429.89	4,250.02	(820.13)
	December 31, 2023	Trade Receivable	2,357.74	2,518.13	(160.39)
	<b>Net Total</b>	<b>Trade Payable</b>	<b>5,787.63</b>	<b>6,768.15</b>	<b>(980.52)</b>
	September 30, 2023	Trade Receivable	3,682.41	4,465.03	(782.62)
	September 30, 2023	Trade Payable	2,462.11	2,548.60	(86.49)
	<b>Net Total</b>		<b>6,144.52</b>	<b>7,013.63</b>	<b>(869.11)</b>
	June 30, 2023		1,872.38	4,969.69	(3,097.31)
	June 30, 2023		2,602.39	2,602.40	(0.01)
	<b>Net Total</b>		<b>4,474.77</b>	<b>7,572.09</b>	<b>(3,097.32)</b>

- i) Indusind bank represented as cash credit lender  
ii) Difference in trade receivable represents payment received but not identified to clear the balances against particular invoice/parties.  
iii) Some of the balances which is not related with direct expenditure, has not been considered in quarterly statement submitted to the banker.

Name of Bank	Quarter	Particulars	FY 2022-23		
			Amount as reported in the quarterly return/ statement	Amount as per books of account	Difference
Axis bank & Indusind Bank	March 31, 2023	Trade Receivable	6,472.88	6,287.36	185.52
	March 31, 2023	Trade Payable	4,062.39	3,843.77	218.62
	<b>Net Total</b>		<b>10,535.27</b>	<b>10,131.13</b>	<b>404.14</b>
	December 31, 2022	Trade Receivable	4,709.77	4,521.35	188.42
	December 31, 2022	Trade Payable	1,386.55	2,793.48	(1,406.93)
	<b>Net Total</b>		<b>6,096.32</b>	<b>7,314.83</b>	<b>(1,218.51)</b>
	September 30, 2022	Trade Receivable	5,781.20	5,173.58	607.62
	September 30, 2022	Trade Payable	1,958.93	4,204.57	(2,245.64)
	<b>Net Total</b>		<b>7,740.13</b>	<b>9,378.15</b>	<b>(1,638.02)</b>
	June 30, 2022	Trade Receivable	3,686.69	5,523.46	(1,836.77)
	June 30, 2022	Trade Payable	727.46	3,760.49	(3,033.03)
	<b>Net Total</b>		<b>4,414.15</b>	<b>9,283.95</b>	<b>(4,869.80)</b>

- i) Axis bank / Indusind bank represented as cash credit lender  
ii) Difference in trade receivable represents payment received but not identified to clear the balances against particular invoice/parties.



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

- iii) Some of the balances which is not related with direct expenditure, has not been considered in quarterly statement submitted to the banker.

**8. Trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
Payable to Micro Enterprises & Small Enterprises (MSME) (Refer Note No. 34)	98.03	485.91
Payable to other then MSME	4,994.50	3,843.77
	<u>5,092.53</u>	<u>4,329.68</u>

**Trade Payable Ageing**

Particulars	As at March 31, 2024				
	Outstanding for following year from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total value
MSME	806.61	80.77	-	13.13	900.51
Others	3,816.78	255.33	46.37	73.53	4,192.02
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
	<u>4,623.39</u>	<u>336.10</u>	<u>46.37</u>	<u>86.66</u>	<u>5,092.53</u>

Particulars	As at March 31, 2023				
	Outstanding for following year from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total value
MSME	485.91	-	-	-	485.91
Others	3,698.70	62.59	36.90	45.58	3,843.77
Disputed dues-MSxME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
	<u>4,184.61</u>	<u>62.59</u>	<u>36.90</u>	<u>45.58</u>	<u>4,329.68</u>

**9. Other current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Bank and financial institutions	0.28	0.44
Interest Payable on MSME	10.38	356.04
Advance from customers	30.76	94.19
Accrued salaries & benefits	95.35	0.64
Security deposit	0.64	299.17
<b>Other Payables:</b>		
Statutory liabilities	275.93	299.17
Expenses	1,623.68	1,177.91
Others	44.47	44.84
	<u>2,081.49</u>	<u>1,973.23</u>

**10. Short term provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for employee benefits:</b>		
Provision for gratuity (Refer Note No. 39)	58.58	40.47
Provision for leave encashment (Refer Note No. 39)	3.94	4.22





**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

Provision for income tax	50.74	-
	<u>113.26</u>	<u>44.69</u>

**11. Property plant and equipment**

Tangible Assets							
	Building	Computer	Vehicle	Furniture & Fixtures	Office Equipments	Total Tangible Assets	Capital Work in Progress
<b>Gross Block</b>							
As at April 01, 2022	1,103.21	210.59	209.66	328.15	143.47	1,995.08	-
Additions	49.66	73.15	122.35	1.06	1.56	247.78	-
Disposals	(833.34)	(22.28)	(33.40)	-	-	(889.04)	-
<b>As at March 31, 2023</b>	<b>319.53</b>	<b>261.46</b>	<b>298.61</b>	<b>329.21</b>	<b>145.03</b>	<b>1,353.82</b>	-
As at April 01, 2023	319.53	261.46	298.61	329.21	145.03	1,353.82	-
Additions	-	129.43	243.80	0.48	10.11	383.81	101.95
Disposals	-	(6.24)	-	-	(1.08)	(7.32)	-
<b>As at March 31, 2024</b>	<b>319.53</b>	<b>384.65</b>	<b>542.40</b>	<b>329.68</b>	<b>154.06</b>	<b>1,730.31</b>	<b>101.95</b>
<b>Depreciation</b>							
As at April 01, 2022	649.82	176.34	169.74	286.63	129.82	1,412.35	-
Charge for the year	32.19	34.81	27.14	9.12	3.62	106.88	-
Disposals	(448.42)	(20.86)	(31.63)	-	-	(500.90)	-
<b>As at March 31, 2023</b>	<b>233.59</b>	<b>190.29</b>	<b>165.25</b>	<b>295.75</b>	<b>133.44</b>	<b>1,018.34</b>	-
As at April 01, 2023	233.59	190.29	165.25	295.75	133.44	1,018.32	-
Charge for the year	7.94	57.58	60.39	6.51	3.22	135.64	-
Disposals	-	(5.86)	-	-	(1.02)	(6.87)	-
<b>As at March 31, 2024</b>	<b>241.52</b>	<b>242.02</b>	<b>225.62</b>	<b>302.27</b>	<b>135.64</b>	<b>1,147.09</b>	-
<b>Net Block</b>							
<b>As at March 31, 2023</b>	<b>85.94</b>	<b>71.18</b>	<b>133.36</b>	<b>33.46</b>	<b>11.59</b>	<b>335.48</b>	-
<b>As at March 31, 2024</b>	<b>78.02</b>	<b>142.65</b>	<b>316.78</b>	<b>27.42</b>	<b>18.41</b>	<b>583.23</b>	<b>101.95</b>

**11. A Intangible assets**

Intangible Assets		
	Computer Software	Total Intangible Assets
<b>Gross Block</b>		
As at April 01, 2022	50.69	50.69
Additions	1.37	1.37
Disposals	-	-
<b>As at March 31, 2023</b>	<b>52.06</b>	<b>52.06</b>
As at April 01, 2023	52.06	52.06
Additions	-	-
Disposals	-	-
<b>As at Mar 31, 2024</b>	<b>52.06</b>	<b>52.06</b>
<b>Amortisation</b>		
As at April 01, 2022	43.46	43.46
Charge for the year	3.61	3.61
Disposals	-	-
<b>As at March 31, 2023</b>	<b>47.07</b>	<b>47.07</b>
As at April 01, 2023	47.07	47.07
Charge for the year	47.07	47.07
Disposals	3.18	3.18
<b>As at Mar 31, 2024</b>	<b>50.25</b>	<b>50.25</b>



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**Net Block**

<b>As at March 31, 2023</b>	<b>4.99</b>	<b>4.99</b>
<b>As at March 31, 2024</b>	<b>1.81</b>	<b>1.81</b>

**11. B Capital Work in Progress**

Capital work-in-progress aging schedule					
CWIP	Amount in CWIP for the period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2024</b>		-	-	-	-
Projects in Progress	101.95	-	-	-	101.95
Projects Temporarily suspended	-	-	-	-	-

CWIP	Amount in CWIP for the period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2023</b>	-	-	-	-	-
Projects in Progress	-	-	-	-	-
Projects Temporarily suspended	-	-	-	-	-

**12. Non-current investments**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investment in Partnership Firms</b>	-	-
<b>Investment in LLP</b>		
Ultra Violet Digital Solutions LLP - 92.31% contribution	306.00	325.00
Ultra Violet Digital Solutions LLP - (Current account balance)	74.78	69.76
All White Communications LLP - 51% contribution	121.57	36.57
All White Communications LLP - (Current account balance)	44.06	6.96
Coeus Communications India LLP - 83.33% contribution	50.00	50.00
Coeus Communications LLP - (Current account balance)	38.47	53.07
<b>Unquoted</b>		
<b>Investment in associate</b>		
BB& HV Private Limited - 1,34,40,550 equity shares of Rs. 10 each (P.Y. 4,00,000/-)	107.20	40.00
<b>Others</b>		
AITMC Venture Limited -14,51,250 equity share @ Rs. 2/- each (P.Y. -Nil)	38.32	-
The Rajasthan Urban Co-operative Bank Limited 15,000 (P.Y. 15,000) equity shares of Rs. 100/- each fully paid up	15.00	15.00
Paymate India Limited - 2000 equity shares of Rs. 1 each, fully paid (P.Y. -Nil)	6.60	-
	<b>802.00</b>	<b>596.36</b>
<b>Investment in equity instruments</b>		
<b>Quoted</b>		
Nureca Limited - 25 (P.Y. 15) equity shares of Rs. 10/- each fully paid up	0.27	0.23
Satluj Jal Vidyut Nigam Limited - 10680 (PY 0) equity shares of Rs. 10/- each fully paid up	12.78	-
Arshiya Limited - Rs. Nil (P.Y. 4,04,000) equity shares of Rs. 2/- each fully paid up	-	104.99
	<b>13.05</b>	<b>105.22</b>



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**Investment in property**

DLF Flat (Qty. 01)	178.10	178.10
	178.10	178.10
<b>Aggregate book value of total investments</b>	<b>993.15</b>	<b>879.68</b>
Aggregate book value of unquoted investments	802.00	596.36
Aggregate book value of quoted investments	13.05	105.22
Aggregate market value of quoted investments	13.03	19.84
Aggregate market value of DLF Flat	178.10	178.10
Aggregate provision for diminution in the value of investments	Nil	Nil

**13. Deferred tax assets**

Particulars	As at March 31, 2024	Charge/ (Credit) during the year ended March 2024	As at March 31,2023
Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	35.48 -	4.90 -	40.38
Provision for gratuity	54.26	(4.76)	49.50
Provision for leave encashment	7.00	(0.82)	6.18
Provision for bad and doubtful debts	27.35	-	27.35
<b>Net deferred tax assets</b>	<b>124.09</b>	<b>(0.68)</b>	<b>123.41</b>

**14. Long term loans and advances**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured considered good unless stated other wise		
Capital advances (Refer note-1 mentioned below)	628.18	586.68
Advance tax (net of provision)	-	481.91
	<b>628.18</b>	<b>1,068.59</b>

**Note - 1**

Opening balance of capital advances	586.68	174.18
Less: Disposal during the year	(12.50)	-
Add: Amount deposited during the year	54.00	412.50
	<b>628.18</b>	<b>586.68</b>

**15. Other non-current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured consider good unless otherwise state)</b>		
Security and earnest money deposits	112.15	176.51
Fixed deposits with maturity of more than 12 months (Refer Note No. 17)	10.21	17.41
	<b>122.36</b>	<b>193.92</b>

**16. Trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>As taken, valued and certified by management</b>		
Unsecured, considered good	9,042.75	6,287.36
Doubtful	108.65	108.65
Less: Provision for doubtful debts	(108.65)	(108.65)
	<b>9,042.75</b>	<b>6,287.36</b>



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

Trade receivables includes receivable from related party Rs.619.30 lakh (March 31, 2023: Rs .35.77 lakhs). Refer note 33.

**Trade Receivable Ageing**

Particulars	As at March 31, 2024					
	Outstanding for following year from due date of payment					
	Less than 6 Months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	7,671.76	506.64	185.00	89.33	590.02	9,042.75
Undisputed trade receivables – considered doubtful	-	-	-	-	108.65	108.65
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

Particulars	As at March 31, 2023					
	Outstanding for following year from due date of payment					
	Less than 6 Months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	5,476.76	90.81	100.26	207.58	411.95	6,287.36
Undisputed trade receivables – considered doubtful	-	-	-	-	108.65	108.65
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

**17. Cash and bank balances**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Cash and cash equivalents</b>		
Balances with scheduled banks:	556.05	1,467.76
In current accounts	12.77	38.31
Cash on hand	<u>568.82</u>	<u>1,506.07</u>
<b>Other bank balances</b>		
Fixed deposits having maturity of more than 3 months but less than 12 months	800.51	29.56
Fixed deposits having maturity of more than 12 months	10.21	17.41
	<u>810.72</u>	<u>46.97</u>
Less: Non-current bank balance transferred to other Non current asset (Refer Note No.15)	(10.21)	(17.41)
	<u>800.51</u>	<u>29.56</u>
	<u>1,369.33</u>	<u>1,535.64</u>

**18. Short term loans and advances**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good, unless otherwise stated</b>		
Loan to related party and others (refer foot note i below)	2,706.00	828.32
Advance to vendors	69.52	140.11
Advance for purchase of investment	45.00	67.20
Advances to staff	7.57	12.36
Other Advances	4.90	0.60
Prepaid expenses	26.56	56.49
Security and earnest money deposits	183.65	141.63
Balance with statutory authorities	199.12	319.86
Interest accrued on fixed deposit	41.07	3.09
Interest accrued on loans (refer foot note ii below)	215.78	163.95
	<u>3,499.17</u>	<u>1,733.61</u>



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

- (i) Loan to related parties includes, loan receivable from related party Rs.1870.00 lakhs (March 31, 2023: Rs. Nil) Refer note 33.
- (ii) Interest accrued on loans includes, interest receivable from related parties of Rs. 124.07 (March 31, 2023 Rs. 130.76 lakh) Refer note 33.

**19. Other income**

Particulars	As at March 31, 2024	As at March 31, 2023
Unbilled revenue	2,078.99	850.01
	<b>2,078.99</b>	<b>850.01</b>

**20. Short term loans and advances**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Rent received</b>	10.16	12.15
Liabilities no longer required written back	0.85	26.76
Interest on	76.62	4.64
Banks	30.83	58.98
Refund of income tax	199.15	176.64
Others	0.02	249.35
Profit on sale of property plant and equipment(net)	-	0.04
Gain on foreign exchange fluctuation	47.02	17.46
Profit from partnership firms	85.41	0.44
Other miscellaneous income	<b>450.07</b>	<b>546.46</b>

**21. Employee benefit expense**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Employee benefit expense</b>		
Salaries and wages	1,336.22	1,096.03
Contribution to provident & other funds	11.68	6.78
Staff welfare	57.06	46.65
	<b>1,404.96</b>	<b>1,149.46</b>

**22. Finance costs**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Interest on bank loans, bill discounting and cash credits</b>	70.02	61.98
Interest on others	6.42	2.35
Interest on MSME	10.38	-
Other borrowing cost	5.04	14.73
	<b>91.86</b>	<b>79.06</b>

**22. A Depreciation and amortization expenses**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Depreciation of property, plant and equipment (refer note 11)</b>	135.64	106.88
Amortisation of intangible assets (refer note 11A)	3.18	3.61
	<b>138.82</b>	<b>110.49</b>



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**23. Other expenses**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Legal and professional charges	433.17	572.55
Directors Fees (Refer Note-33)	2.10	-
Rent expenses (Refer Note-35)	236.16	215.60
Telephone expenses	17.36	13.37
Electricity, water and house tax	59.43	46.05
Conveyance expenses	61.36	49.71
Vehicle running and maintenance	39.14	33.31
Computer and software maintenance	46.98	35.47
Repair and maintenance expenses	14.70	15.17
Office maintenance expenses	165.15	100.05
Miscellaneous Balance written off	14.10	52.02
Provision for bad and doubtful debts	-	39.86
Business promotion expenses	148.08	79.59
Travelling expenses	70.80	76.54
Printing and stationery	10.15	9.35
Postage and telegram	2.68	3.23
Fees and subscription	26.32	37.50
Books and periodicals	8.35	4.06
Advertisement expenses	4.77	0.48
Insurance expenses	8.12	8.60
Commission expenses	61.93	11.18
Security guard expenses	14.03	9.70
Auditor's remuneration (Refer Note-29)	5.60	12.80
Bank charges	2.95	13.17
CSR Expenses (Refer Note-42)	12.23	-
Tax Exp. (Demand/Gst Reversal Etc.)	7.55	5.09
Loss on sale of property plant and equipment	69.55	-
Loss on sale of investment in property	0.05	50.90
Foreign exchange loss	-	2.60
Misc. expenses	4.44	8.93
	<b>1,547.25</b>	<b>1,506.88</b>

Rent includes Rs 3.60 lakh (March 31, 2023: Rs 3.60 lakh) to related parties-refer note-33

**24. Earning per share (Basic & diluted)**

Particulars	UOM	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Earning per share (Basic &amp; diluted)</b>			
Net profit after tax as per statement of profit and loss	Rs. In lakh	1,690.29	1,659.27
Weighted average number of shares outstanding during the year (For Basic earning per share) (Face value Rs. 10/- each)	Numbers	23,323,197	18,000,000
Weighted average number of shares outstanding during the year (For Diluted earning per share) (Face value Rs. 10/- each)	Numbers	23,444,668	18,000,000
Basic earning per share	Rupees	7.25	9.22
Diluted earning per share	Rupees	7.21	9.22

On 15<sup>th</sup> December, 2022 the company has issue the bonus share in the ratio of 1:7 to the exiting equity shareholders Impact of the same has been considered in calculation of basic and diluted EPS and the



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

weighted average no. of share have been adjusted for such bonus issue in line with requirement of AS 20.

\*Restated EPS

**25. Contingent liability not provided for:**

Particulars			As at March 31, 2024	As at March 31,2023
<b>a) Bank guarantees Issued</b>			722.56	677.07
			<b>722.56</b>	<b>677.07</b>
<b>b) In respect of Income Tax</b>				
Particulars	Year	Forum where the dispute is pending	As at March 31, 2024	As at March 31,2023
Income Tax Demand u/s 143(3) where the cases are pending at various stage of appeal with authorities	A.Y. 2017-18	CCIT (Appeals)- NFAC	16.77	16.77
Income Tax Demand u/s 167(1) where the cases are pending at various stage of appeal with authorities	A.Y. 2021-22	CPC	3.65	3.65
Income Tax Demand u/s 143(3) where the cases are pending at various stage of appeal with authorities	A.Y. 2015-16	ITAT	2.13	-
			<b>24.68</b>	<b>22.55</b>

The Company has received demands related to three different assessment years from the Central Processing Unit (CPC) under the Income Tax Act, 1961, via the income tax web portal. These demands have arisen in the ordinary course of business. The Company has responded to these demands through the web portal and does not expect any material adjustments to be required in the standalone financial statements concerning these demand orders.

26. There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard (AS) - 29, "Provisions, Contingent liabilities & Contingent Assets" as it is not probable that an outflow of resources embodying economic benefits will be required.

**27. Capital commitments:**

Estimated number of contracts remaining to be executed on capital account (net of advances) and not provided for - Rs. 313.64 Lakhs (Previous Year: Rs 200.00)

28. The Company has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books.

**29. Auditors' remuneration (excluding service tax /cess)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2023
<b>Statutory audit fees</b>	3.20	5.50
Tax audit	0.90	1.20
Limited Review	1.00	-
Other services including IPO Certification	-	6.10
Other reimbursement	-	0.02
<b>Total</b>	<b>5.60</b>	<b>12.82</b>

**30. Foreign exchange earned and used:**

Particulars	For the year ended March 31, 2024	For the Year ended March 31, 2023
Foreign exchange earned	-	127.97
Foreign exchange used	156.87	18.79



**Notes to the Standalone financial statements for the year ended March 31, 2024  
(All Amounts are in rupees lakhs, unless otherwise stated)**

31. There are no foreign currency exposures at the end of the financial year (Previous year Rs. Nil).
32. In accordance with the provisions of Accounting Standard on impairment of Assets, (AS-28), the management has made assessment of assets in use & considering the business prospects related thereto, no provision is considered necessary in these accounts on account of impairment of assets.
33. Related parties disclosures: Disclosures in respect of Related Parties as defined in Accounting Standard (AS) 18, with whom transactions were carried out in the ordinary course of business during the year as given below:

**A. Related parties and their relationship:**

**a) Associate:**

BB & HV Private Limited (w.e.f April 1, 2023)\*

**b) Key management personnel and their relatives:**

Mr. Kunal Lalani (Director)

Mrs. Vimi Lalani (Director)

Mr. Ashraye Lalani (Son of Director)

Mr. H.M. Lalani (Director)

Mr. Vinod Zutshi (Director) (w.e.f. 01<sup>st</sup> December 2022)

Mr. Atul Jeevandharkumar Hedge (Director) (w.e.f. 01<sup>st</sup> December 2022)

Mr. Surendra Pagaria (Director) (w.e.f. 21<sup>st</sup> January 2023)

Mrs. Neelu Prajapati (CS) (upto 07<sup>th</sup> June 2023)

Mr. Gagan Mahajan (CS) (w.e.f. 08<sup>th</sup> May 2023)

Mr. Rajat Singhal (CFO) (w.e.f. 01<sup>st</sup> December 2022)

**c) Enterprises owned or significantly influenced by key management personnel to whom transactions entered during the year**

Mega Cabs Limited

Mega Corporation Limited

Coeus Communications India LLP

Ultraviolet Digital Solutions LLP

Mega Luxuries & Hotels LLP

Bengaluru Megacabs Private Limited

All White Communications LLP

Omni Media Communications Private Limited

Cash UR Drive Marketing Pvt. Ltd.

YAAP Digital Private Limited

OPLIFI Digital Private Limited

Vimi Investments and Finance Private Limited

Indication Instruments Limited

**B. Transactions with related parties**

Particulars	Associate		Key Management Personnel		Others		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Loan received/taken (Loan repaid)</b>								
Kunal Lalani	-	-	-	30.00	-	-	-	30.00
Kunal Lalani	-	-	-	30.00	-	-	-	30.00
<b>Loan given (Loan received back)</b>								
Mega Corporation Ltd.	-	-	-	-	2,070.00	-	2,070.00	-
Mega Corporation Ltd.	-	-	-	-	(200.00)	-	(200.00)	-
Omni Media Communications Pvt. Ltd.						348.91	-	348.91
Omni Media Communications Pvt. Ltd.						(1,393.91)	-	(1,393.91)
<b>Investment made and (received back) in capital fund of Partnership Firms</b>								





**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

Particulars	Associate		Key Management Personnel		Others		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Ultra Violet Digital Solutions LLP	-	-	-	-	(19.00)	-	(19.00)	-
All White Communications LLP	-	-	-	-	85.00	30.00	85.00	30.00
<b>Investment in equity of Associate</b>								
BB & HV Private Limited*	67.20	-	-	-	-	-	67.20	-
* transaction related with the period when BB & HV Private Limited not considered as associate						40.00	-	40.00
<b>Remuneration paid</b>								
Kunal Lalani	-	-	60.00	33.00	-	-	60.00	33.00
Vimi Lalani	-	-	36.00	12.00	-	-	36.00	12.00
Ashraye Lalani	-	-	9.00	9.00	-	-	9.00	9.00
Neelu Prajapati (CS)	-	-	0.80	1.21	-	-	0.80	1.21
Gagan Mahajan (CS)	-	-	8.08	-	-	-	8.08	-
Rajat Singhal (CFO)	-	-	41.01	33.03	-	-	41.01	33.03
<b>Rent received</b>								
Mega Cabs Private Limited	-	-	-	-	-	2.40	-	2.40
All White Communications LLP	-	-	-	-	-	0.53	-	0.53
<b>Rent paid</b>								
Kunal Lalani	-	-	36.00	36.00	-	-	36.00	36.00
<b>Interest Income</b>								
Omni Media Communications Pvt. Ltd.	-	-	-	-	-	122.19	-	122.19
Mega Corporation Ltd.	-	-	-	-	93.82	-	93.82	-
<b>Expense reimbursement made</b>								
Mega Cabs Pvt. Ltd.			-	-	0.02	0.08	0.02	0.08
Mega Corporation Ltd.			-	-	0.24	-	0.24	-
Kunal Lalani			84.34	20.60	-	-	84.34	20.60

Particulars	Associate		Key Management Personnel		Others		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Director sitting fee</b>								
Vinod Zutshi			1.05	-			1.05	-
Surendra Kumar Pagaria			0.70	-			0.70	-
Atul Jeevandharkumar Hedge			0.35	-			0.35	-
<b>Service received</b>								
Cash UR Drive Marketing Pvt. Ltd.			-	-	369.37	1,733.21	369.37	1,733.21
Mega Cabs Pvt. Ltd.			-	-	-	0.08	-	0.08
Coelus Communications India LLP			-	-	67.59	41.30	67.59	41.30
Omni Media Communications Pvt. Ltd.			-	-	13.84	133.05	13.84	133.05
OPLIFI Digital Pvt. Ltd.			-	-	-	4.33	-	4.33
<b>Service Provided</b>								
Mega Cabs Pvt. Ltd.			-	-	2.90	4.06	2.90	4.06
YAAP Digital Pvt. Ltd.			-	-	697.09	764.37	697.09	764.37
Cash UR Drive Marketing Pvt. Ltd.			-	-	591.20	-	591.20	-
Vimi Investments and Finance Pvt. Ltd.			-	-	-	0.13	-	0.13
Indication Instruments Ltd.			-	-	2.03	1.83	2.03	1.83
Mega Luxuries & Hotels LLP			-	-	-	0.08	-	0.08



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**C. Outstanding balances at year end**

Particulars	Associate		Key Management Personnel		Others		Total	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Investment in equity of associate</b>								
BB & HV Pvt. Ltd.	107.20	-	-	-	-	-	107.20	-
* transaction related with the period when BB & HV Private Limited not considered as associate	-	40.00	-	-	-	-	-	40.00
<b>Investment in Partnership Firm</b>							-	-
<b>Ultra Violet Digital Solutions LLP</b>							-	-
Capital account	-	-	-	-	306.00	325.00	306.00	325.00
Current account	-	-	-	-	74.78	69.76	74.78	69.76
<b>All White Communications LLP</b>								
Capital account	-	-	-	-	121.57	36.57	121.57	36.57
Current account	-	-	-	-	44.06	6.96	44.06	6.96
<b>Coeus Communications India LLP</b>								
Capital account	-	-	-	-	50.00	50.00	50.00	50.00
Current account	-	-	-	-	38.47	53.07	38.47	53.07
<b>Trade payable</b>								
Mega Cabs Limited	-	-	-	-	140.88	-	140.88	-
Cash UR Drive Marketing Pvt. Ltd.	-	-	-	-	0.06	0.06	0.06	0.06
Omni Media Communications Pvt. Ltd.	-	-	-	-	69.30	83.24	69.30	83.24
<b>Remuneration payable</b>								
Kunal Lalani			1.89	2.00	-	-	1.89	2.00
Vimi Lalani			2.30	3.00	-	-	2.30	3.00
Neelu Prajapati (CS)			-	0.19	-	-	-	0.19
Rajat Singhal (CFO)			2.63	2.48	-	-	2.63	2.48
Ashraye Lalani			0.70	0.75	-	-	0.70	0.75
Gagan Mahajan (CS)			0.65	-			0.65	-
<b>Trade receivable</b>								
Cash UR Drive Marketing Pvt. Ltd.	-	-	-	-	507.95	-	507.95	-
Omni Media Communications Pvt. Ltd.	-	-	-	-	7.24	7.63	7.24	7.63
YAAP Digital Pvt. Ltd.	-	-	-	-	103.45	28.00	103.45	28.00
Vimi Investments and Finance Pvt. Ltd.	-	-	-	-	-	0.13	-	0.13
<b>Loan receivable</b>								
Mega Corporation Ltd.	-	-			1,870.00	-	1,870.00	-
<b>Interest receivable (Short term loan and advance)</b>								
Omni Media Communications Pvt. Ltd.	-	-	-	-	80.76	130.76	80.76	130.76
Mega Corporation Ltd.	-	-	-	-	43.31	-	43.31	-

**34. Details of dues to Micro and Small Enterprises as per MSMED Act, to the extent of information available with the Company are as follows:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;</b>		
(i) Principal Amount	98.03	485.91
(ii) Interest due on above	10.38	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
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 Micro Small and Medium Enterprise Development Act, 2006.	-	-



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	10.38	-

The information as required to be disclosed under the Micro, Small and Medium Enterprises (Development) Act, 2006 ("the Act") in the process at management level, so the disclosure requirement for balance outstanding, interest paid/payable as the year end as required by the Act has not been given.

**35. Assets taken on lease**

The Company has entered into cancellable lease agreements with renewal option at the mutual consent of lessor & lessee some of the lease agreements contain escalation clause of up to 10%. There are no restrictions placed upon the Company by entering into these leases (Rent)

Particulars	For the year ended March 31, 2024	For the Year ended March 31, 2023
<b>For the Year ended March 31, 2023</b>	236.16	215.60
Total	<u>236.16</u>	<u>215.60</u>
<b>Future minimum lease payments</b>		
Particulars	For the year ended March 31, 2024	For the Year ended March 31, 2023
<b>Not later than one year</b>		
Later than one year and not later than five years	105.70	229.98
Later than five years	163.32	265.73
Total	<u>269.02</u>	<u>495.71</u>

There is no non-cancellable lease other than those disclosed above.

**36. Events after balance sheet date**

No adjusting or significant non-adjusting events have occurred between the reporting date and date of approval for issuance of these standalone financial statements.

37. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**38. Financial ratios**

Sl. No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
1.	Current ratio	Current Assets	Current Liabilities	2.15	1.46	47.50%	Fund was raised through IPO & Surplus fund are kept in FDR.
2.	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.05	0.21	-77.61%	During the year, funds were raised through an IPO, resulting in an increase in shareholders' equity.
3.	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	154.88	40.05	286.71%	There is an improvement in profitability due to increased net margin, along with reduction in the debt repayments.
4.	Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.21	0.36	-41.92%	There is a substantial decrease in turnover and an increase in shareholders' equity compared to last year.
5.	Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA		Not applicable as Company business does not involved inventory
6.	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	2.63	4.52	-41.87%	There is a substantial decrease in turnover and a slow recovery of debtors in the financial year 2023-24.
7.	Trade Payable Turnover Ratio	Net purchases = Gross purchases - purchase return	Average Trade Payables	3.21	4.53	-29.11%	There is decrease in direct cost and a slow recovery of debtors in the financial year 2023-24.
8.	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.36	8.43	-72.05%	Fund was raised through IPO & Surplus fund are kept in FDR.
9.	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.08	0.06	39.34%	There is a significant decrease in turnover and net profit from operations.
10.	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.22	0.37	-40.98%	During the year, funds were raised through an IPO, resulting in an increase in shareholders' equity as compared to last year.
11.	Return on Investment	Interest (Finance Income)	Investment	0.069	0.024	187.34%	In current year investment is increase



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

**39. Employees benefits:** As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

- A. Defined contribution plan – provident fund:** Contribution to Defined Contribution Plan, recognised as expenses for the year ended in Note No. 21 'Employees Benefit Expenses' under the head 'Contribution to provident & other funds'.
- B. Defined benefit plan – gratuity:** In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method.
- C. Defined benefit plan – leave encashment:** In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method. The detail of same as follows:

The details of the above are as follows:

**Actuarial assumptions:**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Discount rate (per annum)	7.20%	7.20%	7.35%	7.35%
Increase in compensation Level	10.00%	10.00%	10.00%	10.00%

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

**Statement showing changes in present value of obligations for the year ended March 31, 2024:**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Present value of obligation as at the beginning of year	196.70	24.54	172.99	17.60
Interest cost	12.97	1.65	11.03	1.11
Past service cost	-	-	-	-
Current service cost	28.07	4.86	27.32	4.71
Benefit Paid	(15.74)	(3.81)	(3.06)	(1.39)
Actuarial (gain)/loss on obligations	(6.39)	0.57	(11.58)	2.51
Present value of obligation at the end of the year	215.61	27.81	196.70	24.54

**Actuarial gain/loss recognized for the year:**

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Actuarial (gain)/loss for the period – recognized	(6.39)	0.57	(11.58)	2.51
Actuarial (gain)/loss for the period – unrecognized	Nil	Nil	Nil	Nil

**Expenses recognized in the statement of profit and loss:**

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Current service cost	28.07	4.86	27.32	4.71
Total employer expense	-	-	-	-
Present value of obligation as at the end of the year	215.61	27.81	196.70	24.54
Fair value of planned asset as at the end of the year	-	-	-	-
Past service cost	-	-	-	-
Interest cost	12.97	1.65	11.03	1.11
Expected return on planned assets	-	-	-	-
Curtailment/settlement Cost	-	-	-	-



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Net actuarial (gain)/loss recognized	(6.39)	0.57	(11.58)	2.51
Expenses recognized in the statement of profit and loss	34.65	7.08	26.77	8.32

**Disclosure as required under para 120(n) of AS-15**

Particulars	Gratuity				
	2023-24	2022-23	2021-22	2020-21	2019-20
Present value of defined benefit obligation	215.61	196.70	172.99	174.63	220.09
Fair value of planned assets	-	-	-	-	-
Net Asset/(Liability)	215.61	196.70	172.99	174.63	-
Experience Adjustment on planned liabilities (loss)/gain	6.39	(11.58)	(21.73)	(21.69)	(24.72)

Particulars	Leave encashment				
	2022-23	2021-22	2020-21	2019-20	2018-19
Present value of defined benefit obligation	27.81	24.53	17.60	18.08	23.02
Fair value of planned asset	-	-	-	-	-
Net Asset/(liability)	27.81	24.53	17.60	18.08	23.02
Experience Adjustment on planned liabilities (loss)/gain	0.57	2.51	(1.68)	7.00	0.46

**40. Segment reporting:** The Company's business activity primarily falls within a single business segment i.e. advertising and marketing Services. The Company operates only in one geographical segment i.e. domestic. Since there is neither more than one business segment nor more than one geographical segment, segment information as per AS 17 is not required to be disclosed.

**41. The Company had given loans/ advances to various companies. Loans amount outstanding as at year end is given in below mentioned table as per Section 186(4) of the Companies Act, 2013.**

**(a) Particulars of loan given**

**March 31, 2023**

Sl. No.	Name of loanee	Opening balance as on April 1, 2023	Loan given	Loan repaid	Outstanding balance as on	Purpose
1.	Mega Corporation Ltd.	-	2,111.13	241.13	1,870.00	Operational

**March 31, 2023**

Sl. No.	Name of loanee	Opening balance as on April 1, 2022	Loan given	Loan repaid	Outstanding balance as on	Purpose
1.	Omni Media Communication Pvt. Ltd.	1,045.00	348.91	1,393.91	-	Operational

**b) Particular's of Investment made**

**March 31, 2024**

Sl. No.	Name of loanee	Opening balance as on April 1, 2023	Investment made	Investment redeemed/ partner's capital drawing	Outstanding balance as on	Purpose
1.	Ultra Violet Digital Solutions LLP	325.00	-	19.00	306.00	Long term investment
2.	All White Communications LLP	36.57	85.00	-	121.57	Long term investment



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
(All Amounts are in rupees lakhs, unless otherwise stated)

Sl. No.	Name of loanee	Opening balance as on April 1, 2023	Investment made	Investment redeemed/partner's capital drawing	Outstanding balance as on	Purpose
3.	Coeus Communications India	50.00	-	-	50.00	Long term investment
4.	BB& HV Pvt. Ltd.	0.00	107.20	-	107.20	Long term investment

**March 31, 2023**

Sl. No.	Name of loanee	Opening balance as on April 1, 2023	Investment made	Investment redeemed/partner's capital drawing	Outstanding balance as on	Purpose
1.	Ultra Violet Digital Solutions LLP	325.00	-	-	325.00	Long term investment
2.	All White Communications LLP	6.57	30.00	-	36.57	Long term investment
3.	Coeus Communications India	50.00	-	-	50.00	Long term investment

**(c) Particulars of Security Deposit: Nil (Previous year Nil)**

42. The amount required to be spent as Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 for the year ended March 31, 2024 is Rs. 12.22 Lakhs (Previous Year: Rs. Nil Lakh) i.e. 2% of average net profits for last three financial years, calculated as per Section 198 of the Companies Act, 2013.

The Company had spent Rs. 12.23 Lakhs on CSR Projects / initiatives during the year (Previous year: Rs. Nil Lakh), which are summarized as under:

Sl. No.	Nature of activities	Amount spent	
		For the Year ended March 31, 2024	For the Year ended March 31, 2023
1.	To Provide Shelter, food and medical care for homeless elderly, special care for critical patients to save their lives	3.00	-
2.	To Empower to economically background Children through knowledge, health care, education, Vocational training and commitment	2.22	-
3.	Education and welfare	5.00	-
4.	Welfare of less privileged people	2.00	-
	<b>Total</b>	<b>12.22</b>	<b>-</b>

**43. Other Statutory Information:**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2024 and March 31, 2023.
- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:



**Notes to the Standalone financial statements for the year ended March 31, 2024**  
**(All Amounts are in rupees lakhs, unless otherwise stated)**

- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) 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 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,
- (vii) 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.
- (viii) The Company had granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

**March 31, 2024**

Particulars	All Parties	Promotors	Related Parties
Aggregate amounts of loans/ advances in nature of loans - Repayable on demand	2,706.00	-	1,870.00
Percentage of loans/ advances in nature of loans to the total loans	100.00%	-	69.11%

**March 31, 2023**

Particulars	All Parties	Promotors	Related Parties
Aggregate amounts of loans/ advances in nature of loans - Repayable on demand	828.32	-	-
Percentage of loans/ advances in nature of loans to the total loans	100%	-	-

- (ix) No layers of companies has been established beyond the limit prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (x) The company has used an accounting software (FINAC) for maintaining its books of account 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. however, there is some inherent limitations of this accounting software like i) user creation and deletion log not maintained ii) User Identification issue after deletion of User ID iii) software uses user's system date and time instead of Actual time & etc.
- 44. Investment in Associate:** On April 01, 2023, the Company made an investment of Rs.107.20 lakhs in BB&HV Private Limited ("BBHV"), resulting in an increase in the Company's stake from 0.90% to 31.14%. As a result, BBHV has been considered an associate of the Company. Additionally, the Company has opted for consolidated financial statements for the first time due to this investment, and therefore previous year figures are not presented here.
- 45. Data Back Up:** As per the MCA notification dated August 5, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain the back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create back-up of accounts on servers physically located in India on a daily basis.
- The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and a back-up is maintained in servers situated in India and The Company and its officers have full access to the data in the servers.
- 46.** Monies raised during the period by the Company by way of initial public offer were utilized for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid funds, fixed deposits and interest bearing loan given to group company repayable on demand.





Sl. No.	Description	Amounts (Rs.)
1.	Total Fund Utilised for the purpose	782.72
2.	Total Unutilised fund Parked as Fixed Deposits	750.00
3.	Total Unutilised fund Parked as ICD to the Group Companies	1,790.00
	<b>Total IPO Proceed (net of ipo expenditure)</b>	<b>3,322.72</b>

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

As per our report of even date attached  
**For S.S. Kothari Mehta & Company**  
 Chartered Accountants  
 Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of  
**Crayons Advertising Limited**  
 (Formerly known as Crayons Advertising Private Limited)

**Sd/-**  
**Amit Goel**  
 Partner  
 Membership No. 500607

**Place: New Delhi**  
**Date: May 30, 2024**

**Sd/-**  
**Kunal Lalani**  
 Managing Director  
 DIN No.: 00002756

**Sd/-**  
**Rajat Singhal**  
 Chief Financial  
 Officer

**Sd/-**  
**H.M. Lalani**  
 Director  
 DIN No.: 00257693

**Sd/-**  
**Gagan Mahajan**  
 Company Secretary  
 Mem No. A34028



## INDEPENDENT AUDITOR'S REPORT

To the Members of Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)

### Report on the Audit of the Consolidated Financial statements

#### Opinion

We have audited the accompanying Consolidated Financial statements of **Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited)**, (hereinafter referred to as "The Company" or "The Holding Company") and its three controlled partnership firms (the Holding Company and its controlled partnership firms together referred to as "The Group") and an associate which comprise the consolidated balance sheet as at March 31 2024, the consolidated Statement of profit and loss and the consolidated cash flow statement for the year then ended, and notes to the consolidated Financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "The Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the three controlled partnership firms and its associate referred to in the other matters section below, the aforesaid Consolidated Financial statements give the information required by the Companies Act, 2013, as amended ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and its 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 (SAs), as 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 Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial statements under the provisions of the Act and the Rules thereunder, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial statements.

#### Emphasis of Matter

We draw attention to Note 43 (b) to the consolidated financial statements wherein the auditor of the associate Company, BB&HV Private Limited has mentioned that the associate Company has not appointed any whole time company secretary as required under section 203 of the Act read with rule 8A of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Our opinion is not modified in respect of this matter.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no Key audit matters to be communicated in our report.

#### Information Other than the Consolidated Financial statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises information included in the Annual Report but does not include the Consolidated Financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report.



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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Management's and Board of Directors' Responsibility for the Consolidated Financial Statements**

The Holding Company's Management and 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, consolidated cash flows of the of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014). The respective Management and Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each 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 the 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 Consolidated 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, the respective Management and Board of Directors of the companies included in the Group and its associate are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/ entities included in the Group and its associate are responsible for overseeing the financial reporting process of each company/ entity.

#### **Auditor's Responsibilities for the Audit of the Consolidated 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.

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 Consolidated 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 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 through a separate report on the set of consolidated financial statements on whether the Group and its Associate has adequate internal financial controls with reference to financial statements 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 management and board of directors.



- 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 Group and its associate 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 group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial statements, including the disclosures, and whether the Consolidated Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and an associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

- i. We did not audit the financial statements/financial information of three controlled partnership firms whose financial statements/financial information reflect total assets of Rs. 1581.55 lakhs as at March 31, 2024; as well as the total revenue of Rs.3326.24 lakhs for the year ended March 31, 2024, net profit after tax of Rs. 103.70 lakh and net cash inflow amounting to Rs. 115.36 lakhs for the year ended March 31, 2024, as considered in these consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose audit reports for the year ended March 31, 2024, have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of these controlled partnership firms and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid controlled partnership firm is based solely on the report of the other auditors.
- ii. The consolidated financial statements also include the Group's share of profit of Rs. 62.69 lakhs for the year ended March 31, 2024, in respect of an associate. This financial statements and other financial information have been audited by other auditor whose audit report for the year ended March 31, 2024, have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the report of the other auditor.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, based on our audit and on the consideration



of report of the other auditors on separate financial statements and the other financial information of the controlled partnership firms and associate incorporated in India, we give in the "Annexure A" a statement on the matters specified in paragraphs 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on financial statements of such controlled partnership firms and its associate were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that, 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 of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law have been kept by the Group and its associate so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(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 and the Consolidated Cash Flow Statement 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 Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors of the holding company as on March 31, 2024 taken on record by the Board of Directors of holding Company and the reports of the statutory auditors of its Controlled partnership firms and associate incorporated in India, none of the directors is disqualified, wherever applicable as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (g) With respect to the adequacy of the internal financial controls with reference to these Consolidated Financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/ provided by the Company, its controlled partnership firms and its associate to its directors, wherever applicable in accordance with the provisions of section 197 read with Schedule V to the Act; and
  - (i) 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 Group and its associate does not have any pending litigations which would impact its financial position;
    - ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associate;
    - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 42(vi) to the Consolidated Financial statements, 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 Group and its associate 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group and its associate ("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, as disclosed in the note 42(vii) to the Consolidated Financial statements, no funds have been received by the Group and its associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group and its associate 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; and
- c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Group and its associate.
- vi. As stated in note 42(xi) to the consolidated financial statements and based on our examination which included test checks performed by us on the Holding Company and by the respective auditor of the associate which incorporated in India and audited under the Act, except for the instances mentioned below, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and auditor of the above referred associate did not come across any instance of audit trail feature being tampered except mention below:
- i. With respect of holding Company, The Company had made the assessment for books of account as per definition in the Act and identified FINAC as an accounting software used for the creation and maintenance of books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. Further, in case of the Company, audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with except some of the inherent limitations in tally (refer note 42(xi) of the consolidated financial statements).
- ii. Reporting under this rule is not applicable to controlling partnership firms.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

**For S.S. Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration Number: 000756N/N500441

**Sd/-**

**AMIT GOEL**

Partner

Membership Number: 500607

UDIN: 24500607BKEIVY5662

**Place: New Delhi**

**Date: May 30, 2024**



**Annexure A to the Independent Auditors' Report to the members of Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited), dated May 30, 2024 on its Consolidated Financial Statements**

In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the Consolidated Financial Statements, have unfavorable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding/ Subsidiary/ JV/ Associate	Clause No. of CARO report which is unfavourable or qualified or adverse
1.	<b>Crayons Advertisement Limited (Formerly known as Crayons Advertising Private Limited)</b>	L52109DL1986PLC024711	Holding	3ii(b), 3x(a)

**For S.S. Kothari Mehta & Co LLP**  
Chartered Accountants  
Firm Registration No. 000756N/N500441

**Sd/-**  
**AMIT GOEL**  
Partner  
Membership Number: 500607  
UDIN: 24500607BKEIVY5662

**Place: New Delhi**  
**Date: May 30, 2024**



**Annexure B to the Independent Auditors' Report to the members of Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited), dated May 30, 2024 on its Consolidated Financial Statements**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section.**

**Our reporting on the internal financial control with reference to consolidated financial statement is not applicable in respect of three controlled partnership firms and associate.**

In conjunction with our audit of the consolidated financial statements of **Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited)** ("The Holding Company" or "Company") as of and for the year ended March 31, 2024, we have audited the Internal Financial Controls over Financial Reporting of Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited) incorporated in India, for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 (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 the respective 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the relevant subsidiaries in terms of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

**Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

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 consolidated 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:





- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial Controls with reference to 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Holding Company have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by the such companies considering the essential components of such 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 "Guidance Note").

#### **Other Matters:**

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three controlled partnership firm and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies. According to the report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 is not applicable to these all four entities. Our opinion is not modified in this respect.

**For S.S. Kothari Mehta & Co LLP**

Chartered Accountants  
Firm Registration No. 000756N/N500441

**Sd/-**

**AMIT GOEL**

Partner

Membership Number: 500607

UDIN: 24500607BKEIVY5662

**Place: New Delhi**

**Date: May 30, 2024**



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Consolidated Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

Particulars	Notes	As at March 31, 2024
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	3	2,443.00
Reserves and surplus	4	8,017.94
Money received against share warrants	3(f)	193.75
<b>Total equity attributable to the owners of the Company</b>		<b>10,654.69</b>
Minority interest		131.09
<b>Total shareholders funds</b>		<b>10,785.78</b>
<b>Non-current liabilities</b>		
Long-term borrowings	5	341.75
Long-term provisions	6	180.89
<b>Total non- current liabilities</b>		<b>522.64</b>
<b>Current liabilities</b>		
Short-term borrowings	7	145.11
Trade payables	8	
(a) Total outstanding dues of micro enterprises and small enterprises		98.03
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,730.94
Other current liabilities		2,129.72
Short-term provisions	10	62.52
<b>Total current liabilities</b>		<b>8,166.32</b>
<b>Total equity and liabilities</b>		<b>19,474.74</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property plant and equipment	11	587.02
Intangible assets	11A	2.19
Capital work in Progress	11B	101.95
Non-current investments	12	798.26
Deferred tax assets (net)	13	124.09
Long-term loan and advances	14	692.14
Other non-current assets	15	122.36
<b>Total non- current assets</b>		<b>2,428.01</b>
<b>Current assets</b>		
Trade receivables	16	9,651.41
Cash and bank balances	17	1,574.42
Short-term loans and advances	18	3,741.91
Other current assets	19	2,078.99
<b>Total current assets</b>		<b>17,046.73</b>
<b>Total Assets</b>		<b>19,474.74</b>
Significant accounting policies	2	
The accompanying notes are integral part of these consolidated financial statements		



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Consolidated Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

As per our report of even date attached

**For S.S. Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of

**Crayons Advertising Limited**

**(Formerly known as Crayons Advertising Private Limited)**

**Sd/-**

**Amit Goel**

Partner

Membership No. 500607

**Place: New Delhi**

**Date: May 30, 2024**

**Sd/-**

**Kunal Lalani**

Managing Director

DIN No.: 00002756

**Sd/-**

**Rajat Singhal**

Chief Financial

Officer

**Sd/-**

**H.M. Lalani**

Director

DIN No.: 00257693

**Sd/-**

**Gagan Mahajan**

Company Secretary

Mem No. A34028



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Consolidated Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

<b>Particulars</b>	<b>Notes</b>	<b>For the year ended March 31, 2024</b>
<b>Revenue</b>		
Revenue from operations		23,392.04
Other income	20	441.75
<b>Total Income</b>		<b>23,833.79</b>
<b>Expenses</b>		
Cost of Service		18,068.63
Employee benefits expense	21	1,491.94
Finance costs	22	91.86
Depreciation and amortisation	22A	140.70
Other expenses	23	1,699.64
<b>Total expenses</b>		<b>21,492.77</b>
<b>Profit before taxation</b>		<b>2,341.02</b>
<b>Less: Tax expenses</b>		
- Current tax		629.62
- Earlier year tax expenses		(6.86)
- Deferred tax charge		(0.68)
<b>Tax expenses for the year</b>		<b>622.08</b>
Add: share of profit of associates		64.69
<b>Profit for the year</b>		<b>1,783.63</b>
Less: Minority interest		(28.63)
<b>Profit for the year</b>		<b>1,755.00</b>
<b>Earning perequity share:</b>	24	
Equity shares face value of Rupee 10 each		
Basic earnings per share (In Rs.)		7.65
Diluted earnings per share (In Rs.)		7.61
Significant accounting policies	2	

The accompanying notes are integral part of these consolidated financial statements

As per our report of even date attached  
**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of  
**Crayons Advertising Limited**  
(Formerly known as Crayons Advertising Private Limited)

**Sd/-**  
**Amit Goel**  
Partner  
Membership No. 500607  
**Place: New Delhi**  
**Date: May 30, 2024**

**Sd/-**  
**Kunal Lalani**  
Managing Director  
DIN No.: 00002756

**Sd/-**  
**Rajat Singhal**  
Chief Financial  
Officer

**Sd/-**  
**H.M. Lalani**  
Director  
DIN No.: 00257693

**Sd/-**  
**Gagan Mahajan**  
Company Secretary  
Mem No. A34028



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Consolidated Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

Particulars	For the year ended March 31, 2024
<b>A. Cash flow from operating activities</b>	
<b>Net profit before tax</b>	2,341.02
Adjustment for :	
Loss on sale of Investments	69.55
Depreciation and amortization	140.70
Interest and finance charges	91.86
Interest income received	(275.77)
Amount written back	(0.85)
loss on sale of property plant & equipment	0.03
Bad debts written off	66.69
Profit from associate	64.69
<b>Operating profit before working capital changes</b>	<b>2,497.92</b>
Adjustment for :	
(Decrease)/Increase in long term and short term provisions	22.18
(Decrease)/Increase in current and other liabilities	112.72
(Decrease)/Increase in trade payables	972.41
(Increase)/decrease in trade receivables and other asset	(3,979.76)
(Increase)/decrease in short-term loans and advances, other non current asset	(1,736.96)
<b>Cash generated from operations</b>	<b>(2,111.51)</b>
Adjustment for :	
Income tax paid (Net of refund)	(111.63)
<b>Net cash flow (used in) operating activities (A)</b>	<b>(2,223.14)</b>
<b>B. Cash flow from investing activities</b>	
Payment against purchase of property plant & equipment	(489.55)
Proceeds from sale of property plant & equipment	0.42
Purchase of intangible assets	(0.36)
(Purchase)/sale of investments (net)	(284.45)
Advance against Property	(41.50)
Interest income received	174.45
Fixed deposits (investment)/ matured	(763.75)
<b>Net cash flow (used in) Investing activities (B)</b>	<b>(1,404.74)</b>
<b>C. Cash flow from financing activities</b>	
Proceeds from short term borrowing (net )	(698.09)
Money received against share warrants	193.75
Repayment of long term borrowings (net )	79.63
Finance charges paid	(92.02)
Proceeds from issue of share capital	3,322.72
<b>Net cash flow generated from financing activities (C)</b>	<b>2,805.99</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(821.88)</b>
Cash and cash equivalents at beginning of the year	1,595.79
Cash and cash equivalents at the end of the year	773.91

**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**

NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20

Consolidated Balance Sheet as at March 31, 2024

CIN-L52109DL1986PLC024711

(All Amounts are in Rupees lakhs, unless otherwise stated)

	<b>As at March 31, 2024</b>
<b>Components of cash and cash equivalents (Refer Note No. 17)</b>	
Balance with banks in current accounts	757.56
Cash in hand as certified by management	16.35
	<b>773.91</b>

**Notes**

- 1 The above Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on 'Cash flows Statements' issued by the ministry of corporate Affairs.
- 2 Figures in brackets indicate cash outflow.

The accompanying notes are integral part of these consolidated financial statements

As per our report of even date attached

**For S.S. Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of

**Crayons Advertising Limited****(Formerly known as Crayons Advertising Private Limited)****Sd/-****Amit Goel**

Partner

Membership No. 500607

**Place: New Delhi****Date: May 30, 2024****Sd/-****Kunal Lalani**

Managing Director

DIN No.: 00002756

**Sd/-****Rajat Singhal**

Chief Financial

Officer

**Sd/-****H.M. Lalani**

Director

DIN No.: 00257693

**Sd/-****Gagan Mahajan**

Company Secretary

Mem No. A34028



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**NSIC Complex, Maa Anandmayee Marg, Okhla Phase-3, New Delhi-20**  
**Consolidated Balance Sheet as at March 31, 2024**  
**CIN-L52109DL1986PLC024711**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

## 1. CORPORATE INFORMATION

Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited) is a public limited company registered under the erstwhile Companies Act 1956 is in the business of advertising, branding and communication. It started its operations in 1986 has an all-India footprint with 9 offices. The company operates from its office at New Delhi

The Board of Directors (Board) of the Company in their board meeting dated December 01, 2022 has approved raising of capital for the Company through an Initial Public Offering (IPO). Subsequent to the year end the Company has completed fresh issue of equity shares by Initial Public Offer ("IPO") of Equity Shares of the face value of Rs. 10/- each at an issue price of Rs. 65/- per Equity Share of 64,30,000 shares. Pursuant to the IPO, the Equity Shares of the Company were listed on National Stock Exchange of India Limited ("NSE")'s Emerger platform on June 02, 2023

The Consolidated Financial Statements ("CFS") of the group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The group has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The CFS relate to Crayons Advertisement Limited (hereinafter referred as the "Company/ Parent") and its controlled partnership firms (hereinafter collectively referred as the "Group") and its Associate.

These consolidated financial statements are presented in Indian Rupees.

These consolidated financial statements were approved for issue in accordance with a resolution of directors on May 30, 2024.

## 2. Summary of significant accounting policies:

### a) Basis of preparation of Consolidated financial statements

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to Comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 & Companies (Accounting Standards) Amendment Rules, 2016 as amended. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

These Consolidated financial statements have been prepared by the management of the Company and approved by the board of directors at their meeting.

### b) Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

### c) Property plant and equipment

Tangible assets are stated at cost, less accumulated depreciation and impairment (if any). Cost consists of acquisition cost comprising purchase price (excluding rebates and discounts) and direct cost incurred to make the asset ready to use. All assets costing Rs. 5,000 or below are fully depreciated in the year of addition.

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Subsequent expenditure related to an item of property plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from derecognition of property plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**d) Depreciation on property plant and equipment**

Depreciation on property plant and equipment is provided on written down value method considering the useful lives prescribed in Schedule II to the Companies Act, 2013.

Partnership firm provided its depreciation as per rate prescribed in Income Tax Act, 1961.

**e) Intangible assets**

Intangible assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets are amortized over the expected duration of benefit or ten years on written down value method. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**f) Impairment of property plant and equipment and intangible assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) 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.





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The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

**g) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the Consolidated financial statements at lower cost and fair value determined for each category separately. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**h) Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest 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 respective asset. All other borrowing costs are expensed in the period they occur.

**i) Foreign currency transactions and balances**

**Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**Exchange differences**

All other exchange differences are recognized as income or as expenses in the period in which they arise.

**j) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



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The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

**k) Contingent liabilities**

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 company 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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the Consolidated financial statements.

**l) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**m) Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date

Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that



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there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**n) Revenue recognition**

Revenue from operations are recognized on completion of the project and rendering of services. Interest income is recognized on the basis of accrual method on the rates applicable to the transactions.

**Rent is recognized on the basis of accrual as per the agreement.**

Income from investment is accounted for on accrual basis when the right to receive income is established.

Interest income is accrued on a timely basis, by reference to the principal outstanding and recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Rental income arising from operating lease is accounted on a straight line basis over the lease term.

In respect of others, Company recognized income when the right to receive is established.

**o) Employee benefits**

Retirement benefit in the form of provident fund contribution to statutory provident fund, pension fund, superannuation fund and ESI are defined contribution schemes. The contributions are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund

The company operates two defined benefit plans for its employees, viz., gratuity and provident fund contribution to Dalmia Cement Provident Fund Trust. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company 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.

**p) Accounting for lease**

**Where the company is lessee**



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Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Where the Company is lessor**

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

**q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**r) Basis of Consolidation**

In the preparation of these Consolidated Financial Statements, investment in Subsidiaries and Associate have been accounted for in accordance with Accounting Standard (AS) 21 – Consolidated Financial Statements and Accounting Standard (AS) 23 – Accounting for



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Investments in Associates in Consolidated Financial Statements. The Consolidated Financial Statements have been prepared on the following basis.

**The following partnership firms has been considered in the preparation of the consolidated financial statement:**

<b>Name of entity</b>	<b>Country of Incorporation</b>	<b>Relationship</b>	<b>Ownership (in %) held as at 31 March 2024</b>
All White Communications LLP	India	Partnership firm	60%
COEUS Communications India LLP	India	Partnership firm	65%
Ultra Violet digital Solutions LLP	India	Partnership firm	80%
All White Communications LLP	India	Associate	31.34%

The financial statements of the controlled partnership firm are consolidated on a line-by-line basis and all inter-company transactions, balances, income and expenses are eliminated in full on consolidation as per Accounting Standard 21 'Consolidated Financial Statements'. The Company consolidates all entities which are owned & controlled by it.

Investment in entities in which the Group has significant influence but not controlling interest, are reported according to the equity method i.e. the investment is initially recorded at cost adjusted thereafter for post-acquisition change in the Company's share of net assets of the associates. The consolidated statement of profit and loss includes the Company's share of the result of the operations of the associate.



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**3. Share capital**

Particulars	As at March 31, 2024	
	Number of shares	Amount (Rs)
<b>Authorised share capital</b>		
Equity shares of Rs.10/- each fully paid up	25,000,000	2,500.00
Issued, subscribed and paid up		
<b>Equity shares of Rs.10/- each fully paid up</b>	<b>24,430,000</b>	<b>2,443.00</b>
	<b>24,430,000</b>	<b>2,443.00</b>

**a) Reconciliation of shares outstanding at beginning and at end of the year.**

Particulars	As at March 31, 2024	
	Number of shares	Amount (Rs)
Equity share outstanding at the beginning of the year	18,000,000	1,800.00
IPO allotment during the year (Refer foot note i & ii)	6,430,000	643.00
<b>Equity share outstanding at the end of the year</b>	<b>24,430,000</b>	<b>2,443.00</b>

(i) On June 02, 2023, the Company has approved the issue and allotment of 64,30,000 fully paid-up equity shares of the Company to eligible Initial public offer in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 at an issue price of Rs. 65 per share (including securities premium of Rs. 55 per share) for a consideration of Rs.4179.50 lakhs. The post allotment, paid-up Equity Capital of the Company stands increased to Rs. 24,43,00,000/- consisting of 244,30,000 Equity Shares of face value of Rs.10/- each.

“(ii) Monies raised during the year by the Company by way of initial public offer were utilized for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid funds, fixed deposits and interest bearing loan given to group company repayable on demand.(Refer Note-46)

**b) Terms / rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each equity share holder is entitled for one vote per share. Dividend, if declared and paid, will be in Indian rupees and shall be subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended March 31st, 2024, Company has not declared any dividend.

In the event of liquidation of the Company, the holder of equity shares shall be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion of the number of fully paid equity shares held by each shareholder.

**c) Details of shareholders holding more than 5% shares in the Company**

Name	No. of shares	% shares held
Mr. Kunal Lalani	4,390,160	17.97%
Mrs. Vimi Lalani	2,200,800	9.01%
M/s Vimi Investments & Finance Private Limited	11,340,000	46.42%

**d) Note for verification of shareholding pattern**

As per records of the company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



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**e) The company for the period of five years immediately preceding the reporting date has not**

- (i) Allotted any class of share as fully paid pursuant to contract (s) without payment being received in cash
- (ii) Allotted fully paid up share by way of bonus share except for 1575 lacs share Rs 10 each in bonus issue on 15 December 2022.
- (iii) Bought back any class of share.

**f) Share Warrants**

The Company has issued and allotted 5,00,000 (Five lakh only) warrant convertible into equivalent number of equity shares, having face value of Rs 10/- per equity shares, within a period of 18 months from the dated of allotment i.e., 3rd January 2024 at an issue price of Rs.155/-(Rupees one hundred fifty five Only) (including premium of Rs. 145/-each). The Company has received Rs. 193.75 lakhs being 25% of the total amount payable towardssubscription of the warrants from all the allottees.

**g) Details of shares held by promoters**

**As at 31 March 2024**

Description	Promoter Name	No. of shares in the beginning of year	Change during the year	No. of shares at the end of the year	% of total Shares	% change during the year
Equity shares of INR 10 each fully paid	Kunal Lalani	4,390,160	-	4,390,160	17.97%	(6.42%)
Equity shares of INR 10 each fully paid	Hulas Mal Lalani	14,640	(14,640)	-	0.00%	(0.08%)
Equity shares of INR 10 each fully paid	Vimi Lalani	2,200,800	-	2,200,800	9.01%	(3.22%)
Equity shares of INR 10 each fully paid	Vishal Lalani	-	24,000	24,000	0.10%	0.10%
Equity shares of INR 10 each fully paid	Todar Mal Lalani	-	800	800	0.00%	-
Equity shares of INR 10 each fully paid	M/s Vimi Investments & Finance Private Limited	11,360,000	(20,000)	11,340,000	46.42%	16.69%
<b>Total</b>		<b>17,965,600</b>	<b>(9,840)</b>	<b>17,955,760</b>	<b>73.50%</b>	



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**4. Reserves and surplus**

Particulars	As at March 31, 2024
<b>i) General reserve</b>	
Opening balance	27.48
Addition/(deletion) during the year	-
<b>Closing balance</b>	<b>27.48</b>
<b>ii) Surplus in the statement of profit and loss</b>	
Opening balance	3,555.74
Add : Net profit for the year	1,755.00
Less: Bonus share issue	-
<b>Closing balance</b>	<b>5,310.74</b>
<b>iii) Securities premium</b>	
Opening balance	<b>3,536.50</b>
Add : Securities premium received during the year from initial public offer (refer not 3(a))	(856.78)
Less : Expenditure incurred on initial public offer	2,679.72
<b>Closing balance</b>	<b>8,017.94</b>
<b>Total Reserve &amp; surplus</b>	

**5. Long term borrowings**

Particulars	As at March 31, 2024
<b>Secured</b>	
<b>Term loans from bank</b>	
Term loans	258.28
Vehicle loans	228.58
Less : Amount disclosed under short term borrowing as current maturities of long term debt (refer note no. 7)	<b>486.86</b>
<b>Total Long term borrowings</b>	<b>145.11</b>
<b>Nature of security &amp; terms of repayment:</b>	<b>341.75</b>

**Nature of security**

- a) Term loans from banks amounting to Rs. 258.28 lakh- (previous year Rs. 314.67 lakh) and which are secured against properties in National Capital Region capital advance given by the company in respect of properties).
- b) Vehicles loans from bank and other financial institutions amounting to Rs. 228.58 Lakh (Previous year Rs.92.57 Lakh are secured against hypothecation of vehicles)





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**Terms of repayment :**

Bank Name	Terms of Repayment	Applicable Interest Rate	Amount Outstanding as on March 31, 2024
IndusInd Bank	Out of total repayment period of 60 months, moratorium period of 24 months and the principal shall be repaid in 36 equal installment after the moratorium period is over, last installment in Oct. 26	EBLR (Presently 9.25%) + 0.00% subject to max of 9.25% P.A.	101.61
IndusInd Bank	60 Equal monthly principal installments started from March-23	Floating rate of CD 6 months loan Plus 1.42 % presently 8.5 % P.A at monthly rest.. Presently applicable bank's CD - six month -Loan is 7.08 %.	156.67
Axis bank	Repayment in 37 equal installment starting from 10th Nov 2022	Fixed Int. 8.18%	60.13
Axis bank	Repayment in 60 equal installment starting from 01st Dec 2023	Fixed Int. 8.75%	168.45
<b>Total Value</b>			<b>486.86</b>

**6. Long term provisions**

Particulars	As at March 31, 2024
<b>Provision for employee benefits:</b>	
Provision for gratuity (refer Note No. 39)	157.02
Provision for leave encashment (refer Note No.39)	23.87
	<b>180.89</b>

**7. Short term borrowings**

Particulars	As at March 31, 2024
Current maturities of long term debt (refer Note No.5)	145.11
	<b>145.11</b>

# Secured Cash credit facility carrying interest rate of Floating rate of CD - six months- CC/OD +1.42% presently 8.5 % P.A at monthly rest . Presently applicable bank's CD - six month -CC /OD is 7.08 %.

- 1) The cash credit limit has been secured by hypothecation charge on the current assets of the company both present and future.
- 2) Unencumbered fixed assets of the company both present and future.
- 3) Residential property- House no-1323, Sector-14, Urban Estate, Faridabad, Haryana owned by Durga Devi Lalani.
- 4) 10% cash margin for in the form of FD for BG Limit.

(The company to maintain minimum collateral coverage (IP+CM) of 100% throughout the tenure of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank)



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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 (All Amounts are in Rupees lakhs, unless otherwise stated)

**Reconciliation of Quarterly Bank return**

Name of Bank	Quarter	Particulars	Amount as reported in the quarterly return/ statement	Amount as per books of account	Difference
Indusind Bank	March 31, 2024	Trade Receivable	6,723.29	9,042.75	-2,319.46
	March 31, 2024	Trade Payable	4,994.21	5,092.53	-98.32
		<b>Net Total</b>	<b>11,717.50</b>	<b>14,135.28</b>	<b>-2,417.78</b>
	December 31, 2023	Trade Receivable	3,429.89	4,250.02	-820.13
	December 31, 2023	Trade Payable	2,357.74	2,518.13	-160.39
		<b>Net Total</b>	<b>5,787.63</b>	<b>6,768.15</b>	<b>-980.52</b>
	September 30, 2023	Trade Receivable	3,682.41	4,465.03	-782.62
	September 30, 2023	Trade Payable	2,462.11	2,548.60	-86.49
		<b>Net Total</b>	<b>6,144.52</b>	<b>7,013.63</b>	<b>-869.11</b>
	June 30,2023	Trade Receivable	1,872.38	4,969.69	-3,097.31
	June 30,2023	Trade Payable	2,602.39	2,602.40	-0.01
		<b>Net Total</b>	<b>4,474.77</b>	<b>7,572.09</b>	<b>-3,097.33</b>

- i) Indusind bank represented as cash credit lender
- ii) Difference in trade receivable represents payment received but not identified to clear the balances against particular invoice/parties.
- iii) some of the balances which is not related with direct expenditure, has not been considered in quarterly statement submitted to the banker.

**8. Trade payables**

Particulars	As at March 31, 2024
Payable to Micro Enterprises & Small Enterprises (MSME) (Refer Note no. 34)	98.03
Payable to other than MSME	5,730.94
	<u><b>5,828.97</b></u>



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**Trade Payable Ageing**

Particulars	As at March 31, 2024				
	Outstanding for following year from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total value
MSME	83.25	1.65		13.13	98.03
Others	5,243.95	367.09	46.38	73.52	5,730.94
Disputed dues-MSME					-
Disputed dues-Others					-
<b>Total Value</b>	<b>5,327.20</b>	<b>368.74</b>	<b>46.38</b>	<b>86.65</b>	<b>5,828.97</b>

**9. Other current liabilities**

Particulars	As at March 31, 2024
<b>Interest accrued but not due on :</b>	
Bank and financial institutions	0.28
Interest payable on MSME	10.38
Advance from customers	48.96
Accrued salaries & benefits	97.42
Security deposit	0.64
<b>Other Payables :</b>	289.42
Statutory liabilities	1,632.86
Expenses	49.76
Others	<u>2,129.72</u>

**10. Short term provisions**

Particulars	As at March 31, 2024
<b>Provision for employee benefits:</b>	
Provision for gratuity (refer Note No. 39)	58.58
Provision for leave encashment (refer Note No. 39)	3.94
	<u>62.52</u>



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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 (All Amounts are in Rupees lakhs, unless otherwise stated)

**11. Property plant and equipment**

Particulars	Tangible Assets					Total Tangible Assets	Capital Work in Progress
	Building	Computer	Vehicle	Furniture & Fixtures	Office Equipments		
Gross Block							
As at April 01, 2023	319.53	262.37	298.61	329.71	145.45	1,355.67	-
Additions	-	132.57	243.80	0.85	10.35	387.57	101.95
Disposals	-	(6.24)	-	-	(1.08)	(7.32)	-
<b>As at Mar 31, 2024</b>	<b>319.53</b>	<b>388.70</b>	<b>542.41</b>	<b>330.56</b>	<b>154.72</b>	<b>1,735.92</b>	<b>101.95</b>
Depreciation							
As at April 01, 2023	233.59	190.29	165.25	295.75	133.44	1,018.32	-
Charge for the year	7.94	59.21	60.39	6.60	3.32	137.46	-
Disposals	-	(5.86)	-	-	(1.02)	(6.88)	-
<b>As at Mar 31, 2024</b>	<b>241.53</b>	<b>243.64</b>	<b>225.64</b>	<b>302.35</b>	<b>135.74</b>	<b>1,148.90</b>	<b>-</b>
Net Block							
<b>As at Mar 31, 2024</b>	<b>78.00</b>	<b>145.06</b>	<b>316.77</b>	<b>28.21</b>	<b>18.98</b>	<b>587.02</b>	<b>101.95</b>

**11A Intangible assets**

Particulars	Computer Software	Total Intangible Assets
<b>Gross Block</b>		
As at April 01, 2023	52.15	52.15
Additions	0.36	0.36
Disposals	-	-
<b>As at Mar 31, 2024</b>	<b>52.51</b>	<b>52.51</b>
<b>Amortisation</b>		
As at April 01, 2023	-	-
Charge for the year	47.07	47.07
Disposals	3.24	3.24
<b>As at Mar 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Net Block</b>	<b>50.31</b>	<b>50.31</b>
<b>As at Mar 31, 2024</b>	<b>2.19</b>	<b>2.19</b>



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**11B Capital Work in Progress**

**Capital work-in-progress aging schedule**

CWIP	Amount in CWIP for the period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31st March 2024</b>	101.95				101.95
Projects in Progress					
Projects Temporarily suspended	-	-	-	-	-

**12. Non-current investments**

Particulars	As at March 31, 2024
<b>Non-Current</b>	
<b>Unquoted</b>	
<b>Investment in Associates</b>	
1,34,40,550 Equity Share of Rs 10 each, fully paid up in BB & HV Pvt. Ltd.	107.20
Add : Profit of net profit of associates entity accounted for using the equity method	64.69
<b>Net Investment in equity shares of associate</b>	<b>171.90</b>
<b>Othetrs</b>	
<b>Unquoted</b>	
15,000 Equity shares of Rs. 100/- each, fully paid up in The Rajasthan Urban Co-operative Bank Limited	15.00
14,51,250 Equity share of Rs. 2/- each, fully paid AITMC Venture Limited	38.31
2000 Equity shares of Rs. 1 each , fully paid in Paymate India Limited Limited	6.60
33,000 Euity Shares of Rs. 10/- each, fully paid in Quantumskill Gaming and Tech Private Limited	367.05
82,500 Equity shares of Rs. 10/- each, fully paid in Quantumedge Tech Solutions Private Limited	8.25
	<b>607.11</b>
<b>Investment in equity instruments</b>	
<b>Quoted</b>	
25 Equity shares of Rs. 10/- each fully, paid up in Nureca Limited	0.27
10680 Equity shares of Rs. 10/- each fully, paid up in Satluj Jal Vidyut Nigam Limited	12.78
	<b>13.05</b>
<b>Investment in property</b>	
DLF Flat (Qty. 01)	178.10
	<b>178.10</b>
	<b>798.26</b>
<b>Aggregate book value of total investments</b>	
Aggregate amount of unquoted investments	<b>866.69</b>
Aggregate amount of quoted investments	13.05
Aggregate amount of quoted investments	13.03
Aggregate market value of DLF Flat	178.10
Aggregate provision for diminution in the value of investments	-



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**13. Deferred tax assets**

<b>Particulars</b>	<b>As at March 31, 2024</b>
Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	35.48
Provision for gratuity	54.26
Provision for leave encashment	7.00
Provision for bad and doubtful debts	27.35
<b>Net deferred tax</b>	<b>124.09</b>
<b>Charge during the year</b>	<b>(0.68)</b>

**14. Long term loans and advances**

<b>Particulars</b>	<b>As at March 31, 2024</b>
<b>Unsecured considered good unless stated other wise</b>	
Capital advances (Refer note-1 mentioned below)	628.18
Advance tax	3.96
Loan to other party	60.00
	<b>692.14</b>
<b>Note -1</b>	
Opening balance of capital advances	586.68
Less : Disposal during the year	<b>(12.50)</b>
Add : Amount deposited during the year	<b>54.00</b>
	<b>628.18</b>

**15. Other non-current assets**

<b>Particulars</b>	<b>As at March 31, 2024</b>
Security and earnest money deposits	112.15
Fixed deposits with maturity of more than 12 months (Refer Note No. 17)	10.21
	<b>122.36</b>

**16. Trade receivables**

<b>Particulars</b>	<b>As at March 31, 2024</b>
As taken, valued and certified by management	9,651.41
Unsecured, considered good	108.65
Doubtful	<b>(108.65)</b>
Less : Provision for doubtful debts	<b>9,651.41</b>



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**Trade Receivable Ageing**

Particulars	As at March 31, 2024 Outstanding for following year from due date of payment					
	Less than 6 Months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	8,242.47	533.39	196.20	89.33	590.02	9,651.41
Undisputed trade receivables – considered doubtful		-	-	-	108.65	108.65
Disputed trade receivables – considered good		-	-	-	-	-
Disputed trade receivables – considered doubtful		-	-	-	-	-

**17. Cash and bank balances**

Particulars	As at March 31, 2024
<b>Balances with scheduled banks:</b>	
In current accounts	757.56
Cash on hand	16.35
	<b>773.91</b>
<b>Other bank balances</b>	
Fixed deposits having maturity of more than 3 months but less than 12 months	10.21
Fixed deposits having maturity of more than 12 months	<b>810.72</b>
Less: Non-current bank balance transferred to other	(10.21)
Non current asset (Refer note no.15)	<b>800.51</b>
	<b>1,574.42</b>

**18. Short term loans and advances**

Particulars	As at March 31, 2024
<b>Unsecured, considered good, unless otherwise stated</b>	
Loan To Related Party & other (refer foot note i given below)	2,806.00
Advance to vendors	98.73
Advance for purchase of investment	45.00
Advances to staff	7.98
Other Advances	4.90
Prepaid expenses	27.76
Security and earnest money deposits	234.25
Balance with statutory authorities	248.93
Interest accrued on fixed deposit	41.07
Interest accrued on loans (refer foot note ii given below)	<b>227.29</b>
	<b>3,741.91</b>

- (i) Loan to related parties includes, loan receivable from related party Rs.1970.00 lakhs .(Refer note 33).  
(ii) Interest accrued on loans includes, interest receivable from related parties of Rs 130.86. (Refer note 33).



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**19. Other current assets**

<b>Particulars</b>	<b>As at March 31, 2024</b>
Unbilled revenue	2,078.99
	<b>2,078.99</b>

**20. Other income**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>
Rent received	10.16
Liabilities no longer required written back	0.85
Interest on	
Banks	85.09
Refund of income tax	31.91
Others	228.30
Profit on sale of property plant and equipment(net)	0.02
Other miscellaneous income	85.42
	<b>441.75</b>

**21. Employee benefit expense**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>
Salaries and wages	1,420.59
Contribution to provident & other funds	11.69
Staff welfare	59.66
	<b>1,491.94</b>

**22. Finance costs**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>
Interest on bank loans, bill discounting and cash credits	70.02
Interest on others	6.42
Interest on msmed	10.38
Other Borrowing Cost	5.04
	<b>91.86</b>

**22 A Depreciation and amortisation**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>
Depreciation of property, plant and equipment (refer note11)	137.46
Amortisation of intangible assets (refer note11A)	3.24
	<b>140.70</b>

**23. Other expenses**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>
Legal and professional charges	525.62
Directors Fees	2.10
Rent expenses	239.68
Telephone expenses	17.52
Electricity, water and house tax	82.76
Conveyance expenses	69.86
Vehicle running and maintenance	40.54





**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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**(All Amounts are in Rupees lakhs, unless otherwise stated)**

Computer and software maintenance	47.08
Repair and maintenance expenses	16.98
Office maintenance expenses	30.11
Miscellaneous Balance written off	66.69
Business promotion expenses	153.14
Travelling expenses	73.63
Printing and stationery	10.89
Postage and telegram	2.68
Fees and subscription	26.72
Books and periodicals	8.35
Advertisement expenses	4.77
Insurance expenses	8.12
Commission expenses	61.93
Security guard expenses	14.03
Auditors' remuneration (refer note29)*	7.22
Bank charges	2.97
CSR Expenses(Refer note no -42)	12.22
Tax Exp. (Demand/Gst Reversal Etc.)	7.55
Loss on sale of investment	69.55
Loss on sale of Investments in property	0.05
Interest paid on TDS & GST	0.16
Misc. expenses	96.69
	<b>1,699.64</b>

\*Its includes internal audit fees of Rs. 50 lakhs

**24. Finance costs**

Particulars	UoM	For the Year ended March 31, 2024
Net profit after tax as per statement of profit and loss	Rs. In lakh	1,783.63
Weighted average number of shares outstanding during the year for basic EPS (Face value Rs. 10/- each)	Numbers	23,323,197
Weighted average number of shares outstanding during the year for diluted EPS (Face value Rs. 10/- each)	Numbers	23,444,668
Basic earning per share	Rupees	7.65
Diluted earning per share	Rupees	7.61

**25. Contingent liability not provided for:**

Particulars	As at March 31, 2024
<b>a) Bank guarantees Issued</b>	722.56
<b>b) in respect of income tax of holding Company</b>	<b>722.56</b>



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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**(All Amounts are in Rupees lakhs, unless otherwise stated)**

<b>Particulars</b>	<b>Year</b>	<b>Forum where the dispute is pending</b>	<b>As at March 31, 2024</b>
Income Tax Demand u/s 143(3) where the cases are pending at various stage of appeal with authorities	A.Y. 2017-18	CCIT (Appeals)-NFAC	16.77
Income Tax Demand u/s 167(1) where the cases are pending at various stage of appeal with authorities	A.Y. 2021-22	CPC	3.65
Income Tax Demand u/s 143(3) where the cases are pending at various stage of appeal with authorities	A.Y. 2015-16	ITAT	2.13
			<b>22.55</b>

The Holding Company has received demands related to three different assessment years from the Central Processing Unit (CPC) under the Income Tax Act, 1961, via the income tax web portal. These demands have arisen in the ordinary course of business. The Holding Company has responded to these demands through the web portal and does not expect any material adjustments to be required in the standalone financial statements concerning these demand orders.

26. There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard (AS) - 29, "Provisions, Contingent liabilities & Contingent Assets" as it is not probable that an outflow of resources embodying economic benefits will be required.

**27. Capital commitments and other commitments**

Estimated number of contracts remaining to be executed on capital account (net of advances) and not provided for - Rs. 313.64 Lakhs

28. The Group has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books.

**29. Auditors' remuneration (excluding service tax /cess)**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>
Statutory audit fees	4.82
Tax audit	0.90
Limited Review	1.00
<b>Total</b>	<b>6.72</b>

**30. Foreign exchange earned and used:**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>
Foreign exchange used	156.87

31. There are no foreign currency exposures at the end of the financial year.

32. In accordance with the provisions of Accounting Standard on impairment of Assets, (AS-28), the management has made assessment of assets in use & considering the business prospects related thereto, no provision is considered necessary in these accounts on account of impairment of assets.

33. Related parties disclosures: Disclosures in respect of Related Parties as defined in Accounting Standard (AS) 18, with whom transactions were carried out in the ordinary course of business during the year as given below:



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
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**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**A. Related parties and their relationship:**

**a) Associate:**

BB & HV Private Limited (w.e.f April 1, 2023)\*

**b) Key management personnel and their relatives:**

Mr. Kunal Lalani (Director)

Mrs. Vimi Lalani (Director)

Mr. Ashraye Lalani (Son of Director )

Mr. H.M.Lalani (Director)

Mr. Vinod Zutshi (Director) (w.e.f. 01<sup>st</sup> December 2022)

Mr. Atul Jeevandharkumar Hedge (Director) (w.e.f. 01<sup>st</sup> December 2022)

Mr. Surendra Pagaria (Director) (w.e.f. 21<sup>st</sup> January 2023)

Mrs. Neelu Prajapati (CS) (upto 07<sup>th</sup> June 2023)

Mr. Gagan Mahajan (CS) (w.e.f. 08<sup>th</sup> May 2023)

Mr. Rajat Singhal (CFO) (w.e.f. 01<sup>st</sup> December 2022)

Mrs. Sachi Lalani

**c) Enterprises owned or significantly influenced by key management personnel to whom transactions entered during the year**

Mega Cabs Limited

Mega Corporation Limited

Coeus Communications India LLP

Ultraviolet Digital Solutions LLP

Mega Luxuries & Hotels LLP

Bengaluru Megacabs Private Limited

All White Communications LLP

Omni Media Communications Private Limited

Cash UR Drive Marketing Private Limited

YAAP Digital Private Limited

OPLIFI Digital Private Limited

Vimi Investments and Finance Private Limited

Indication Instruments Limited

Sahyog Properties Private Limited



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**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**B. Transactions with related parties**

Particulars	Associate	Key Management Personnel	Others	Total
	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
<b>Loan given /(Loan received back)</b>				
Mega Corporation Limited	-	-	2,880.00	<b>2,880.00</b>
Mega Corporation Limited	-	-	(1,014.50)	<b>(1,014.50)</b>
<b>Investment in equity of Associate</b>				
BB & HV Private Limited*	67.20	-	-	<b>67.20</b>
<b>Remuneration paid</b>				
Kunal Lalani	-	60.00	-	<b>60.00</b>
Vimi Lalani	-	36.00	-	<b>36.00</b>
Ashraye Lalani	-	9.00	-	<b>9.00</b>
Neelu Prajapati (CS)	-	0.80	-	<b>0.80</b>
Gagan Mahajan (CS)	-	8.08	-	<b>8.08</b>
Rajat Singhal (CFO)	-	41.01	-	<b>41.01</b>
Sachi Lalani	-	7.00	-	<b>7.00</b>
<b>Rent paid</b>				
Kunal Lalani	-	36.00	-	<b>36.00</b>
<b>Interest income</b>				
Mega Corporation Limited	-	-	124.09	<b>124.09</b>
<b>Expense reimbursement made</b>				
Mega Cabs Private Limited	-	-	0.02	<b>0.02</b>
Mega Corporation Limited	-	-	0.24	<b>0.24</b>
Kunal Lalani	-	85.74	-	<b>85.74</b>
Sachi Lalani	-	1.40	-	<b>1.40</b>
<b>Director sitting fee</b>				
Vinod Zutshi	-	1.05	1.05	
Surendra Kumar Pagaria	-	0.70	0.70	
Atul Jeevandharkumar Hedge	-	0.35	0.35	
<b>Service received</b>				
Cash UR Drive Marketing Pvt. Ltd.	-	-	371.77	<b>371.77</b>
Omni Media Communications Pvt. Ltd.	-	-	13.84	<b>13.84</b>



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

Particulars	Associate	Key Management Personnel	Others	Total
	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
<b>Service Provided</b>				
Mega Cabs Limited	-	-	2.90	<b>2.90</b>
YAAP Digital Private Limited	-	-	697.09	<b>697.09</b>
Cash UR Drive Marketing Pvt. Ltd.	-	-	617.23	<b>617.23</b>
Indication Instruments Limited	-	-	2.03	<b>2.03</b>
<b>Capital paid</b>				
Mr.Vimi Lalani	-	4.00	-	<b>4.00</b>
M/s Vimi Investments & Finance Pvt. Ltd.	-	-	3.00	<b>3.00</b>
Sahyog Properties Pvt. Ltd.	-	-	90.00	<b>90.00</b>
<b>Capital received</b>				
Raghu Khanna	-	-	15.00	<b>15.00</b>
M/s BB & HV Private Limited	1.00	-	-	<b>1.00</b>

**C. Transactions with related parties**

Particulars	Associate	Key Management Personnel	Others	Total
	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024
<b>Investment in equity of associate</b>				
BB & HV Private Limited	107.20	-	-	<b>107.20</b>
<b>Trade payable</b>				
Mega Cabs Limited	-	-	140.88	<b>140.88</b>
Cash UR Drive Marketing Pvt. Ltd.	-	-	7.02	<b>7.02</b>
Omni Media Communications Pvt. Ltd.	-	-	69.30	<b>69.30</b>
<b>Remuneration payable</b>				
Kunal Lalani	-	1.89	-	<b>1.89</b>
Vimi Lalani	-	2.30	-	<b>2.30</b>
Rajat Singhal (CFO)	-	2.63	-	<b>2.63</b>
Ashraye Lalani	-	0.70	-	<b>0.70</b>
Gagan Mahajan (CS)	-	0.65	-	<b>0.65</b>
<b>Trade receivable</b>				
Cash UR Drive Marketing Pvt. Ltd.	-	-	528.38	<b>528.38</b>



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

Particulars	Associate	Key Management Personnel	Others	Total
	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024
Omni Media Communications Pvt. Ltd.	-	-	7.24	7.24
YAAP Digital Pvt. Ltd.	-	-	103.45	103.45
<b>Loan receivable</b>				
Mega Corporation Limited	-	-	1,865.50	1,865.50
<b>Interest receivable (Short term loan and advance)</b>				
Omni Media Communications Pvt. Ltd.	-	-	80.76	80.76
Mega Corporation Limited	-	-	50.10	50.10
<b>Capital Outstanding</b>				
Raghu Khanna	-	-	21.46	21.46
M/s BB & HV Pvt. Ltd.	1.00	-	-	1.00

**34. Details of dues to Micro and Small Enterprises as per MSMED Act, to the extent of information available with the Group are as follows:**

Particulars	As at March 31, 2024
The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	
(i) Principal Amount	98.03
(ii) Interest due on above	10.38
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-
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 Micro Small and Medium Enterprise Development Act, 2006.	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	10.38

The information as required to be disclosed under the Micro, Small and Medium Enterprises (Development) Act, 2006 ("the Act") in the process at management level, so the disclosure requirement for balance outstanding, interest paid/payable as the year end as required by the Act has not been given.

**35. Assets taken on lease.**

The Group has entered into cancellable lease agreements with renewal option at the mutual consent of lessor & lessee some of the lease agreements contain escalation clause of up to 10%. There are no restrictions placed upon the Group by entering into these leases (Rent).



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

Particulars	For the year ended March 31, 2024
Lease payments for the year	239.68
<b>Total</b>	<b>239.68</b>

**Future minimum lease payments**

Particulars	For the year ended March 31, 2024
<b>Not later than one year</b>	76.36
Later than one year and not later than five years	163.32
Later than five years	-
<b>Total</b>	<b>239.68</b>

There is no non-cancellable lease other than those disclosed above.

**36. Events after balance sheet date**

No adjusting or significant non-adjusting events have occurred between the reporting date and date of approval for issuance of these consolidated financial statements.

37. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

**38. Additional information pursuant to Schedule III of Companies Act, 2013, "General instructions for the preparation of consolidated financial statements.**

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit / loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit /loss	Amount
<b>A. Parent</b>				
<b>Balance as at 31 March, 2024</b>	99.4%	10,589.98	96.31%	1,690.29
<b>B. Control Entity</b>				
<b>All White Communications LLP</b>				
Balance as at 31 March, 2024	0.5%	51.58	3.52%	61.83
<b>COEUS Communications India LLP</b>				
Balance as at 31 March, 2024	0.2%	16.85	0.43%	7.55
<b>Ultra Violet digital Solutions LLP</b>				
Balance as at 31 March, 2024	0.6%	62.66	0.36%	6.28
Associate	0.6%	64.69	3.69%	64.69
Minority Interest	-1.2%	(131.09)	-1.63%	(28.63)
Elimination			-2.68%	(47.02)
<b>Total</b>	<b>100.0%</b>	<b>10,654.69</b>	<b>100%</b>	<b>1,755.00</b>

39. **Employees benefits:** As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

**A. Defined contribution plan - provident fund:** Contribution to Defined Contribution Plan, recognised as expenses for the year ended in Note No. 21 'Employees Benefit Expenses' under the head 'Contribution to provident & other funds'.



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**B. Defined benefit plan – gratuity:** In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method.

**C. Defined benefit plan – leave encashment:** In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method. The detail of same as follows:

The details of the above are as follows:

**Actuarial assumptions:**

Particulars	As at March 31, 2024	
	Gratuity (Unfunded)	Leave encashment (Unfunded)
Discount rate (per annum)	7.20%	7.20%
Increase in compensation Level	10.00%	10.00%

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

**Statement showing changes in present value of obligations for the year ended March 31, 2024:**

Particulars	As at March 31, 2024	
	Gratuity (Unfunded)	Leave encashment. (Unfunded)
Present value of obligation as at the beginning of year	196.70	24.54
Interest cost	12.97	1.65
Past service cost	-	-
Current service cost	28.07	4.86
Benefit Paid	(15.74)	(3.81)
Actuarial (gain)/loss on obligations	(6.39)	0.57
Present value of obligation at the end of the year	215.61	27.81

**Actuarial gain/loss recognized for the year:**

Particulars	For the year ended March 31, 2024	
	Gratuity (Unfunded)	Leave encashment. (Unfunded)
Actuarial (gain)/loss for the period –recognized	(6.39)	0.57
Actuarial (gain)/loss for the period –unrecognized	Nil	Nil

**Amount to be recognized in balance sheet:**

Particulars	As at March 31, 2024	
	Gratuity (Unfunded)	Leave encashment. (Unfunded)
Present value of obligation as at end of the year	215.61	27.81
Funded status	-	-
Net Liability recognized in balance sheet	215.61	27.81





**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

**Expenses recognized in the statement of profit and loss:**

Particulars	For the year ended March 31, 2024	
	Gratuity (Unfunded)	Leave encashment. (Unfunded)
Current service cost	28.07	4.86
Total employer expense	-	-
Present value of obligation as at the end of the year	215.61	27.81
Fair value of planned asset as at the end of the year	-	-
Past service cost	-	-
Interest cost	12.97	1.65
Expected return on planned assets	-	-
Curtailment/settlement Cost	-	-
Net actuarial (gain)/loss recognized	(6.39)	0.57
Expenses recognized in the statement of profit and loss	34.66	7.09

40. **Segment reporting:** The Group's business activity primarily falls within a single business segment i.e. advertising and marketing Services. The Group operates only in one geographical segment i.e. domestic. Since there is neither more than one business segment nor more than one geographical segment, segment information as per AS 17 is not required to be disclosed.
41. Only holding Company having CSR liability as per section 135 of the Companies Act, 2013 ("the Act"). The amount required to be spent as Corporate Social Responsibility (CSR) under Section 135 of the Act for the year ended March 31, 2024 is Rs. 12.22 Lakhs . i.e. 2% of average net profits for last three financial years, calculated as per Section 198 of the Companies Act, 2013.

The holding Company had spent Rs. 12.23 Lakhs on CSR Projects / initiatives during the year, which are summarized as under:

Sl. No.	Nature of activities	Amount spent
		For the Year ended March 31, 2024
1.	To Provide Shelter, food and medical care for homeless elderly, special care for critical patients to save their lives	3.00
2.	To Empower to economically background Children through knowledge, health care, education, Vocational training and commitment	2.23
3.	Education and welfare	5.00
4.	Welfare of less privileged people	2.00
	<b>Total</b>	<b>12.23</b>

42. **Other Statutory Information:**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)****Notes to consolidated financial statements for the year ended March 31, 2024****(All Amounts are in Rupees lakhs, unless otherwise stated)**

- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2024.
- (vi) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Group 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 shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (viii) The Group 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.
- (ix) The Group had granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

**March 31, 2024**

<b>Particulars</b>	<b>All Parties</b>	<b>Promotors</b>	<b>Related Parties</b>
Aggregate amounts of loans/ advances in nature of loans - Repayable on demand	2,806.00	-	1,865.50
Percentage of loans/ advances in nature of loans to the total loans	100.00%	-	66.48%

- (x) No layers of companies has been established beyond the limit prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The Holding Comapny has used an accounting software (FINAC) for maintaining its books of account 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. however, there is some inherent limitations of this accounting software like i) user creation and deletion log not maintained ii) User Identification issue after deletion of User ID iii) software uses user's system date and time instead of Actual time & etc.
43. **(a) Investment in Associate:-** On April 01, 2023, the Holding Company made an investment of Rs.107.20 lakhs in BB&HV Private Limited ("BBHV"), resulting in an increase in the Company's stake from 0.90% to 31.14 %. As a result, BBHV has been considered an associate of the Company.
- (b) The Associate Company has not appointed any whole time company secretary with request to the section 203 of the Act read with rule 8A of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 which states that every private Company having share capital of Rs. 10 crores or more needs to appoints whole time Company secretary in the Company. The Associate Company is the process of taking the corrective measure for this.



**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2024**  
**(All Amounts are in Rupees lakhs, unless otherwise stated)**

44. **Data Back Up:-** As per the MCA notification dated August 5, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain the back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create back-up of accounts on servers physically located in India on a daily basis.

The books of account along with other relevant records and papers of the Holding Company are maintained in electronic mode. These are readily accessible in India at all times and a back-up is maintained in servers situated in India and The Holding Company and its officers have full access to the data in the servers.

45. Monies raised during the period by the holding Company by way of initial public offer were utilized for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid funds, fixed deposits and interest bearing loan given to group company repayable on demand.

S. No.	Description	Amounts (Rs.)
1.	Total Fund Utilised for the purpose	782.72
2.	Total Unutilised fund Parked as Fixed Deposits	750.00
3.	Total Unutilised fund Parked as ICD to the Group Companies	1,790.00
	<b>Total IPO Proceed (net of ipo expenditure)</b>	<b>3,322.72</b>

- 46 Consolidated financial statement has been applicable to the Group for the first time. Hence, previous year figures is not applicable.

As per our report of even date attached  
**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N / N500441

For and on behalf of the Board of Directors of  
**Crayons Advertising Limited**  
**(Formerly known as Crayons Advertising Private Limited)**

**Sd/-**  
**Amit Goel**  
Partner  
Membership No. 500607

**Place: New Delhi**  
**Date: May 30, 2024**

**Sd/-**  
**Kunal Lalani**  
Managing Director  
DIN No.: 00002756

**Sd/-**  
**Rajat Singhal**  
Chief Financial  
Officer

**Sd/-**  
**H.M. Lalani**  
Director  
DIN No.: 00257693

**Sd/-**  
**Gagan Mahajan**  
Company Secretary  
Mem No. A34028

**NOTICE**

Notice is hereby given that the 38th Annual General Meeting ("AGM") of the Members of M/s Crayons Advertising Limited (Formerly Known as M/s Crayons Advertising Private Limited) will be held on Monday, the 30th day of September, 2024 at 02.30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

**ORDINARY BUSINESS:****1. ADOPTION OF THE STANDALONE AUDITED FINANCIAL STATEMENTS:**

To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the year ended 31st March, 2024 including audited Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.

**2. ADOPTION OF THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS:**

To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2024 including audited Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss for the year ended on that date and the reports of the Auditors thereon.

**SPECIAL BUSINESS:****3. TO RE-APPOINT MR. ATUL JEEVANDHARKUMAR HEGDE, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFER HERSELF FOR RE-APPOINTMENT AS DIRECTOR.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT Mr. Atul Jeevandhar Kumar Hegde (DIN: 02699927) who retires by rotation and eligible for reappointment, in the Annual General Meeting, be and is hereby appointed as Director of the Company."

**4. TO APPOINT M/S. MANISH PANDEY & ASSOCIATES, CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS OF THE COMPANY TO HOLD OFFICE FOR A PERIOD OF 5 (FIVE) FINANCIAL YEARS, FROM THE CONCLUSION OF THE 38<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY UNTIL THE CONCLUSION OF THE 43<sup>RD</sup> ANNUAL GENERAL MEETING OF THE COMPANY AND TO AUTHORISE THE BOARD OF DIRECTORS OF THE COMPANY TO FIX THEIR REMUNERATION**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), M/s. Manish Pandey & Associates, Chartered Accountants, (Firm Registration No.: 019807C) be and are hereby appointed as Statutory Auditor of the Company in place of M/s. S.S. Kothari Mehta & Co. LLP, Chartered Accountants (Firm's Registration No. 000756N), the retiring statutory auditor, to hold the office from the conclusion of the 38<sup>th</sup> Annual General Meeting until the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2029 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**5. APPROVAL TO CONTINUE DIRECTORSHIP OF MR. HULAS MAL LALANI (DIN-00257693) ATTAINING AGE OF 75 YEARS**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations, 2018"), the consent



of the members of the Company be and is hereby accorded to continue the directorship of Mr. Hulas Mal Lalani (holding DIN 00257693) who attained the age of 75 (seventy five) years, as a Non Executive Non Independent Director of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**By Order of the Board  
For Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)**

**Sd/-  
Kunal Lalani  
(Director)  
DIN: 00002756  
Address: 14, Oak Drive,  
DLF Chhatarpur Farms,  
New Delhi-110074**

**Place: New Delhi  
Date: 05.09.2024**

**Notes:**

In view of the continuing COVID-19 pandemic, social distancing norms to be followed and the ongoing restriction on movement of individuals at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively and General Circular No.02/2021 dated January 13, 2021, issued by the Ministry of Corporate Affairs ("MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 37<sup>th</sup> (Thirty Seventh) AGM of the Company is being conducted through Video Conference (VC) / Other Audio Visual Means (OAVM), which does not require physical presence of Members at a common venue, in compliance with the aforesaid MCA Circulars and SEBI Circulars. In terms with the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the venue of the 38<sup>th</sup> (Thirty Eighth) AGM shall be deemed to be the Registered Office of the Company situated at NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Area-III, New Delhi-110020.

Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 38<sup>th</sup> (Thirty Eighth) AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice.

This notice is sent to all the members whose name appears as on **30<sup>th</sup> August 2024** in the Register of Members

1. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
2. The Annual Report 2023-24 is being sent through electronic mode only to those members whose email address are registered with the Company/Depository Participant(s). Pursuant to Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 issued by MCA dispatch of Physical copy of annual report is dispensed.
3. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of the Special Businesses as set out above is annexed hereto and form part of this notice.
4. Additional Information, pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, In respect of the directors seeking appointment/ re-appointment at the AGM, is furnished as annexure to the Notice.
5. Members, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form and in case the shares are held in physical form to the Company's Registrar and Share Transfer Agents.
6. The Notice for the Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days in business hour up to the date of Annual General Meeting. The above said shall also be available on the Company's website at **www.megacorpltd.com** and on the website of the Skyline Financial services Private Limited at **https://www.skylinerta.com/** for inspection and downloading by the shareholders of the company.
7. To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Financial Results etc. from the Company electronically. Members seeking further information on the Accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.



8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their de-mat account. Member holding shares in physical form can submit their PAN details to the Company at the Registered Office of the Company.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Register of Members and Share Transfer Books shall remain closed from **25<sup>th</sup> September 2024 to 30<sup>th</sup> September 2024** (Both days inclusive).
11. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to **cs@thecrayonsnetwork.com** with a copy marked to **admin@skylinerta.com**.
12. The Board of Directors has appointed M/s Vasisht & Associates, Practicing Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in accordance with the law and in a fair and transparent manner and he has consented to act as scrutinizer.
13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
14. The results declared along with the report of Scrutinizer shall be placed on the website of the Company [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com) and on the website of Skyline Financial Services Private Limited <https://www.skylinerta.com/> immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of Annual General Meeting.
15. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at <https://www.skylinerta.com/>. However, if he/she is already registered with LIPL for remote e-voting then he/she can use his/her existing user ID and password for casting the vote.
16. The business set out in this Notice shall be conducted through e-voting. In compliance with the provisions of the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting.
17. Voting through electronic means:

**CDSL e-Voting System – For e-voting and Joining Virtual meetings.**

**CDSL e-Voting System – For e-voting and Joining Virtual meetings.**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote



e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

2. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at <https://thecrayonsnetwork.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
6. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
7. In continuation to this Ministry's **General Circular No. 20/2020 dated 05.05.2020**, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on **27<sup>th</sup> September 2024 at 09:00 A.M. IST** and ends on **29<sup>th</sup> September 2024 at 05:00 P.M. IST**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **24<sup>th</sup> September 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.





In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website <b>www.cdslindia.com</b> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <b>www.cdslindia.com</b> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <b>www.cdslindia.com</b> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <b>https://eservices.nsdl.com</b> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <b>https://eservices.nsdl.com</b>. Select "Register Online for IDeAS "Portal or click at <b>https://eservices.nsdl.com/SecureWeb/Ideas-DirectReg.jsp</b></li> </ol>



	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL</b></p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911</p>
<p>Individual Shareholders holding securities in Demat mode with <b>NSDL</b></p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000</p>

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
  - 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID.
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:



	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@thecrayonsnetwork.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please update your email id & mobile no. with your respective **Depository Participant (DP)**.
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you



can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

**By Order of the Board  
For Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)**

**Sd/-  
Kunal Lalani  
(Director)  
DIN: 00002756  
Address: 14, Oak Drive, DLF Chhatarpur  
Farms, New Delhi-110074**

**Place: New Delhi**

**Date: 05.09.2024**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013****SPECIAL BUSINESS****ITEM NO. 4: TO APPOINT M/S. MANISH PANDEY & ASSOCIATES, CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS OF THE COMPANY TO HOLD OFFICE FOR A PERIOD OF 5 (FIVE) FINANCIAL YEARS, FROM THE CONCLUSION OF THE 38<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY UNTIL THE CONCLUSION OF THE 43<sup>RD</sup> ANNUAL GENERAL MEETING OF THE COMPANY AND TO AUTHORISE THE BOARD OF DIRECTORS OF THE COMPANY TO FIX THEIR REMUNERATION**

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act but as per Regulation 36(5) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations 2015 is mandatory to disclosure.

The Members of the Company at the 33<sup>rd</sup> Annual General Meeting ('AGM') held on September 30, 2019 approved the appointment of M/s SS Kothari Mehta & Company, Chartered Accountants, as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the said AGM. Accordingly, M/s SS Kothari Mehta & Company will complete their present term of five years on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors based on the recommendation of the Audit Committee proposes the appointment of M/s Manish Pandey & Associates, Chartered Accountants, (Firm Registration No.: 019807C) (in place of M/s SS Kothari Mehta & Company, Chartered Accountants, the auditors who will complete a tenure of 5 consecutive years at this 38<sup>th</sup> AGM), as the Statutory Auditors of the Company. If approved by the members, the appointment of M/s Manish Pandey & Associates, as the Statutory Auditors will be for a period of Five years commencing from the conclusion of this 38<sup>th</sup> Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting at remuneration of Rs. 3,00,000/- (Rupees Three Lacs only) plus applicable taxes exclusive of all out of pocket expenses subject to deduction of applicable taxes.

M/s Manish Pandey & Associates ('the firm') was constituted in 2014. The firm is having over 10 years of presence. The firm is in the field of Audit, Assurance, Taxation and Risk Advisory including corporate, legal and Information System & Security audits. The Firm is based in Noida, Delhi, Mumbai, Varansai and Jabalpur. The firm is having team of 6 partners, 8 professionals excluding partners and a team of 15+ members. The core values of the firm are Transparency, Accountability and Credibility. The Mission of the firm is to provide top -tier accounting, audit, Tax and consultancy services that meets the highest standards of professionalism and integrity. The Vision of the firm is being a leading CA firm recognized their expertise, innovative approach, and commitment to excellence. Their goal is to empower our clients with the financial knowledge and tools they need to achieve business objectives and personal financial goals.

The firm is a Peer Review Certified Firm by the Institute of Chartered Accountants of India (ICAI), which is a recognition of standard practices in audit, enabling us to carry over audit of Listed and Public Interest Entities. The firm also empaneled with the Comptroller & Auditor General (C&AG) of India and are empaneled firm with Reserve Bank of India (RBI) and having MEF registration also.

M/s Manish Pandey & Associates have confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Besides the audit services, the Company would also obtain certification(s) from the statutory auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, on mutually agreed terms, as approved by the Board of Directors.

The Board of Directors, on the recommendation of audit committee of the Company may alter and vary the terms and conditions of the appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors.

None of the Directors / Key Managerial Personnel of the Company /their relatives is/are, in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 4 of the notice for approval by the members.

67	2.60	6.67	6.67	2.60	6.67	6.67	2.60	6.67	6.67	2.60	6.67	6.67	2.60	6.67
03	1.20	8.03	2.03	1.20	8.03	2.03	1.20	8.03	2.03	1.20	8.03	2.03	1.20	8.03
29	0.34	0.30	0.29	0.34	0.30	0.29	0.34	0.30	0.29	0.34	0.30	0.29	0.34	0.30
63	9.40	0.63	0.63	9.40	0.63	0.63	9.40	0.63	0.63	9.40	0.63	0.63	9.40	0.63
56	9.40	6.52	8.56	9.40	6.52	8.56	9.40	6.52	8.56	9.40	6.52	8.56	9.40	6.52
56	4.40	1.56	2.56	4.40	1.56	2.56	4.40	1.56	2.56	4.40	1.56	2.56	4.40	1.56
29	0.70	0.00	0.29	0.70	0.00	0.29	0.70	0.00	0.29	0.70	0.00	0.29	0.70	0.00
40	0.40	2.45	0.40	0.40	2.45	0.40	0.40	2.45	0.40	0.40	2.45	0.40	0.40	2.45
70	0.29	0.20	0.70	0.29	0.20	0.70	0.29	0.20	0.70	0.29	0.20	0.70	0.29	0.20
40	2.56	4.40	4.40	2.56	4.40	4.40	2.56	4.40	4.40	2.56	4.40	4.40	2.56	4.40
0	0.63	5.40	9.40	0.63	5.40	9.40	0.63	5.40	9.40	0.63	5.40	9.40	0.63	5.40
34	0.29	0.34	0.34	0.29	0.34	0.34	0.29	0.34	0.34	0.29	0.34	0.34	0.29	0.34
20	2.03	3.20	1.20	2.03	3.20	1.20	2.03	3.20	1.20	2.03	3.20	1.20	2.03	3.20
60	6.67	9.60	2.60	6.67	9.60	2.60	6.67	9.60	2.60	6.67	9.60	2.60	6.67	9.60
45	0.40	2.45	3.45	0.40	2.45	3.45	0.40	2.45	3.45	0.40	2.45	3.45	0.40	2.45
40	3.45	2.40	0.40	3.45	2.40	0.40	3.45	2.40	0.40	3.45	2.40	0.40	3.45	2.40
07	2.60	4.67	6.67	2.60	4.67	6.67	2.60	4.67	6.67	2.60	4.67	6.67	2.60	4.67
07	1.20	4.67	2.03	1.20	4.67	2.03	1.20	4.67	2.03	1.20	4.67	2.03	1.20	4.67
11	0.29	0.34	1.20	0.29	0.34	1.20	0.29	0.34	1.20	0.29	0.34	1.20	0.29	0.34

## Crayons Advertising Limited

Registered Office:

Maa Anandmayee Marg, NSIC Complex, Okhla Industrial Estate-III, New Delhi-110020

Ph: +91-11-41630000 | Fax: +91-11-26382214 | Email: [cs@thecrayonsnetwork.com](mailto:cs@thecrayonsnetwork.com)

Website: [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com) | CIN: L52109DL1986PLC024711