

Engineering India's Future **Secure Smart Strong**



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To know more about us visit our website:
<https://www.esc.co.in/>

Engineering

India's Future

Secure Smart Strong

At Esconet Technologies, we are committed to laying the robust digital groundwork that will define India's future. Our vision is to craft resilient, intelligent, and forward-looking solutions that serve as the backbone of a digitally empowered nation. From enabling data-driven enterprises to safeguarding critical government infrastructure, our offerings are engineered with the highest standards of performance, security, and trust.

Harnessing the power of innovation, we integrate advanced cloud platforms, artificial intelligence, and cybersecurity capabilities to help organizations navigate the complexities of a rapidly evolving digital landscape. Our indigenous HexaData® systems, strategic alliances with global technology leaders, and unwavering dedication to sustainable practices exemplify our conviction in fostering scalable, homegrown solutions that propels the national progress.

We harness innovation to engineer systems that embody strength and agility, capable of adapting to emerging challenges and accelerating growth. From high-performance computing to cloud integration and cybersecurity, our offerings seamlessly integrate into diverse environments, delivering reliability without compromise.

As India charts its course toward a digitally empowered future, Esconet is proud to play its part—building the secure, smart and strong foundations that will power progress and innovation for the country.

About Us

Forging a Secure Digital Future

Founded in 2012, Esconet Technologies has evolved from a trusted hardware and software vendor into a comprehensive technology partner, serving both private and public sector organizations. Today, we are recognized as a premier system integrator, delivering cutting-edge solutions in IT infrastructure, cloud computing, managed services, and data security.

Our expertise spans complex requirements in servers, storage, networking, virtualization, and data protection, tailored for SMEs, large enterprises, and government agencies alike. Through our proprietary HexaData® brand, we manufacture high-performance servers, workstations, and storage solutions aligned with the Make in India initiative, emphasizing indigenous innovation. Our strategic partnership with NVIDIA further bolsters our capabilities in artificial intelligence, machine learning, and advanced analytics.

Led by visionary second-generation entrepreneurs Santosh Kumar Agrawal and Sunil Kumar Agrawal, Esconet is rooted in core principles of ethics, trust, and customer-centricity. Our forward-looking vision drives us to accelerate digital transformation journeys, pushing the boundaries of what's possible in the technology landscape.



Our Mission Statement

At Esconet Technologies, our mission is to leverage advanced technology to provide innovative and reliable solutions that empower businesses to reach their full potential. We are committed to conducting our business with the highest levels of integrity, transparency, and responsibility. We strive to build lasting relationships with our clients by delivering superior quality services and products, while fostering growth and promoting efficiency in a constantly evolving digital landscape. Guided by our core values of ethics and trust, we commit to serving our customers with utmost dedication and integrity, creating lasting relationships.

500+

Successful Clients

5000+

Hexadata Server
Solutions Installed

10+

Industries Verticals: Manufacturing + Education+ Healthcare+
Logistics+ Government+ Media & Entertainment +
Telecommunication+ Defense + Legal + BFSI and others



Reputed Clientele Across Sectors



Financial Services



Education



Healthcare



Logistics



Media & Entertainment



Telecommunications



Government



Defense



Legal Services



Manufacturing



₹ 233.25 Crores
(+65.59% compared to FY24)

Total Revenue

₹ 10.62 Crores
(+42.66% compared to FY24)

PBT

₹ 8 Crores (+47.27%
compared to FY24)

PAT

₹ 13.05 Crores
(+27.72% compared to FY24)

EBIDTA

Our Journey

The Story of Innovation and Strength

Esconet Technologies originally embarked on its journey in 1998, initially focusing on IT component reselling. Over time, we strategically evolved into delivering enterprise-grade solutions, leveraging strong partnerships with leading OEMs. This foundation enabled us to broaden our expertise across critical domains such as infrastructure, cloud, and security technologies.

Our milestones reflect our ability to adapt, innovate and deliver high-impact IT solutions. From architecting secure cloud infrastructures for defence establishments to empowering global enterprises with virtualisation and managed services, each achievement showcases our relentless pursuit of technological excellence and client success.

Won the largest single contract in the Company's history to establish a Private Cloud infrastructure for a premier Indian Oil & Gas Public Sector Undertaking (PSU).

2018

2015

Successfully secured a prestigious project to implement and maintain a secure cloud service for seven years at the Army Headquarters Computer Centre, Ministry of Defence, Delhi.

Awarded a significant server and storage contract from a key manufacturing client in the National Capital Region (NCR), which notably included India's first EMC Xtreme IO storage system.

2020

Relocated our corporate headquarters from Nehru Place to a state-of-the-art facility in Okhla.

Secured a petabyte-scale storage order from the MeitY.

Welcomed Vineet Agrawal to the Board of Directors.

Achieved a record-breaking single contract for server solutions from MeitY.

Transitioned **Esconet Technologies** to a public Company, rebranding as Esconet Technologies Limited.

2023

2024

Listed on the **NSE Emerge Platform**.

Received a **BBB - / Stable** – credit rating from Crisil.

Completed the acquisition of **Fluidech**, augmenting our IT services portfolio.

2025

Management's Message

Charting a Path to Sustainable Growth



Dear shareholders,

The fiscal year 2024-25 has been a period of significant milestones and strategic progress for Esconet Technologies Limited. Demonstrating resilient growth and a steadfast commitment to innovation, we achieved a revenue increase of 65.59%, reaching ₹233.25 Crores, alongside a Profit After Tax growth of 47.27% to ₹8 Crores. These exceptional results reflect the trust our clients place in our capabilities and highlight the dedication of our team in delivering excellence consistently.

This year, we executed pivotal strategic initiatives to establish a robust foundation for sustained future growth. Notably, we successfully listed on the NSE Emerge platform in the previous year, enhancing our market visibility and access to capital. Building on this momentum, we raised additional funding through the issuance and allotment of Equity Shares and Convertible Warrants via Preferential Allotment during the current year, further strengthening our financial position. Our strategic acquisition of Fluidech has significantly enriched our cybersecurity offerings, positioning us as a key defender of digital assets. Moreover, we expanded ZeaCloud's capacity fourfold to meet the escalating demand for hybrid cloud solutions, reaffirming our leadership in cloud technology. Our international expansion was also reinforced through the establishment of Esconet Singapore Pte. Ltd., a wholly owned subsidiary, which broadens our global footprint and opens new avenues for collaboration and growth.

Looking ahead, our focus remains sharply aligned with driving indigenous innovation through our flagship HexaData® systems, under the 'Make in India' initiative. We are committed to empowering our clients with advanced solutions in artificial intelligence, cloud computing, and data security—domains critical to their digital transformation journeys. By harnessing these technological advancements, we aim to deliver sustainable growth, generate long-term value for our stakeholders, and reinforce Esconet's position as a pioneering leader in the rapidly evolving digital landscape.





Santosh Kumar Agrawal
Managing Director

Financial Highlights

Building Strong Foundations





Total Revenue ₹ in (Crores)

233.25

FY 2024-25		233.25
FY 2023-24		140.80
FY 2022-23		94.97
FY 2021-22		68.59





Operating Revenue ₹ in (Crores)

230.30

FY 2024-25		230.30
FY 2023-24		140.55
FY 2022-23		94.66
FY 2021-22		68.56





EBITDA ₹ in (Crores)

13.05

FY 2024-25		13.05
FY 2023-24		10.22
FY 2022-23		6.36
FY 2021-22		13.05





EBITDA Margin in (%)

5.59

FY 2024-25		5.59
FY 2023-24		7.26
FY 2022-23		6.70
FY 2021-22		2.95





PBT ₹ in (Crores)

10.62

FY 2024-25		10.62
FY 2023-24		7.44
FY 2022-23		4.44
FY 2021-22		0.59





PAT ₹ in (Crores)

8.00

FY 2024-25		8.00
FY 2023-24		5.43
FY 2022-23		3.03
FY 2021-22		0.72





PAT Margin in (%)

1208

FY 2024-25		3.43
FY 2023-24		3.86
FY 2022-23		3.19
FY 2021-22		1.04

EPS in (₹)

6.11

FY 2024-25		6.11
FY 2023-24		5.84
FY 2022-23		39.50
FY 2021-22		9.41

Our Solutions

Powering India's Digital Evolution

At Esconet Technologies, we empower businesses with future-ready IT solutions that enhance performance, strengthen security and enable seamless digital transformation. Backed by deep technical expertise and strong strategic partnerships, we deliver customised, industry-specific technologies that address the evolving needs of modern enterprises.



Computer Systems



Supercomputers

Esconet's HexaData Supercomputers integrate cutting-edge NVIDIA GPUs with AMD and Intel CPUs to deliver high performance across research, analytics and AI. Trusted by leading institutions, these systems come preloaded with tools like PyTorch, Caffe, and MXNet for easy deployment. Built for demanding tasks, HexaData Supercomputers are future-ready, with support for emerging technologies including quantum computing.



Servers

Our HexaData servers support ERP, CRM and data-intensive applications. Featuring robust processors, high-speed storage and efficient cooling, they ensure optimal performance and reliability. We also offer servers from Dell EMC, HPE and Cisco. For AI and ML, we provide GPU-based servers built to manage large data and complex computations efficiently.



Workstations

Esconet offers a range of high-performance workstations under the HexaData brand, as well as models from Dell and HPE. These systems are optimised for design, rendering and AI workloads. They are tailored for tools like AutoCAD, Maya, and 3ds Max, offering precision, speed and reliability for the most demanding creative and analytical tasks.

Data Storage and Management

Data Storage

With proven expertise in managing petabyte-scale data migrations, we offer customised storage solutions tailored to specific performance requirements, use cases and network protocols. Our systems incorporate a blend of NL-SAS, SAS, SSD and NVMe disks with auto-tiering to maximise efficiency and value. We support Fibre Channel, iSCSI, and NVMe over Fabrics for block storage, as well as NFS, SMB and S3 for file and object storage.

Software-Defined Storage

Our software-defined storage solutions offer flexibility, scalability and dynamic resource allocation, helping businesses manage storage more efficiently across any hardware.

Data Backup

We provide secure, intelligent backup solutions for on-premises, cloud and hybrid environments. Designed to support all major platforms and OEMs, our solutions include features such as data deduplication, ransomware protection and support for LTO-based air-gap backups.

Disaster Recovery

Esconet's automated disaster recovery solutions ensure business continuity with rapid, reliable data protection in the event of unplanned disruptions.

Data Network



Datacenter Networks

Esconet Technologies designs high-performance datacenter networks with ultra-low latency and secure segmentation. We support both Ethernet and Infiniband technologies, delivering network speeds ranging from 10G to 400G through leaf-spine or three-tier architectures. Our solutions also include Fibre Channel support up to 32Gbps and integrate SDN solutions like VMware NSX for virtualised control.

Access Networks

We build high-speed copper and fibre networks, supporting bandwidths from 1 Gbps to 100 Gbps across core, distribution and access layers. Our solutions are fully compatible with IPv6, Wi-Fi 6 and cloud-managed networks, ensuring scalability, performance and security. Integrated security features such as advanced firewalls, VPNs and intrusion prevention systems provide protection from breaches.

Software-Defined Networks

Esconet offers agile and centralised SDN solutions that simplify configuration, boost security through micro-segmentation and lower long-term costs. We partner with OEMs like VMware and Cisco to deliver scalable, programmable networks for dynamic business needs.

Cloud E-Mail and Messaging

Esconet Technologies helps businesses modernise their communication with Microsoft M365, offering secure, scalable and cloud-based email, voice and video solutions accessible from any device. We provide end-to-end implementation and support to ensure smooth transitions and reliable performance.

Offer Productivity

Collaboration Tools

We enhance teamwork through platforms like Microsoft Teams and Cisco Webex, providing high-quality video conferencing, screen sharing and interactive features with enterprise-grade security.

Business Process Consulting

Esconet helps organisations streamline operations by analysing and automating workflows using tools like Microsoft Power Platform and UiPath. Our consulting services are tailored to clients' business goals, backed by domain expertise and custom development capabilities.

Private Cloud

Server Virtualisation

With over two decades of experience in server virtualisation, Esconet Technologies helps organisations optimise server resources, improve performance and ensure high availability. Starting with VMware ESX and Intel VT-x technologies, we have built a strong foundation in virtualisation. We help businesses maximize server resources, improve performance, and ensure high availability. Our virtual environments offer simplified backup, centralised management and strong security, leveraging trusted platforms like VMware.

Software-Defined Storage

Our SDS solutions eliminate hardware lock-in and reduce costs using commodity servers. With features like auto-tiering, deduplication, and built-in encryption, our clients get secure, scalable storage. Powered by HexaData, our in-house brand, we provide end-to-end performance and reliability.

Software-Defined Network (SDN)

Esconet builds agile, centrally managed networks using SDN technologies from VMware, Cisco, and others. Our SDN solutions enable quick policy changes, micro-segmentation and lower operational costs while improving security and scalability.

Desktop and Application Virtualisation

We deliver flexible, secure virtual desktops and applications that reduce endpoint risks and IT overhead. Our solutions improve data security as well as cut hardware and energy costs.

Operations and Automation

Esconet automates IT operations to improve efficiency, security and continuity. From compliance checks to disaster recovery, our solutions reduce manual intervention, lower operational costs and ensure smooth business operations.

Data Security

Information Protection

Esconet provides a multi-layered, intelligent security framework to protect enterprise data. Our solutions combine firewalls, DLP, log analytics and ML-driven behavioural monitoring to ensure real-time threat detection and prevention. Built on our reliable HexaData infrastructure, we offer centralised control, regulatory compliance and round-the-clock protection.

Identity and Access Management (IDAM)

In partnership with Microsoft, Esconet delivers robust IDAM for hybrid environments, spanning both on-premises and cloud infrastructure. Our solutions simplify user management, enforce role-based access and maintain compliance, backed by expert deployment and ongoing support.

Multi-Factor Authentication (MFA)

Our MFA solutions strengthen the access control from Cisco DUO and Microsoft Entra ID. We implement secure authentication methods using biometrics, tokens and adaptive policies to reduce unauthorised access and protect user identities.

Data Centre Networking

In today's digital landscape, data centre networks are essential to ensuring fast, reliable and secure access to business applications. At Esconet Technologies, we design and manage high-performance networks that reduce latency, enhance security and support bandwidth-intensive workloads. Our expertise spans Ethernet and Infiniband networks, software-defined networking and high-speed storage solutions leveraging fibre channel up to 32 Gbps. We also design modern network, ranging from three-tier models to leaf and spine architectures, tailored to the unique requirements and scale of each organisation.



Evolving the Way, We Execute and Deliver

Redefining Excellence in Action

We have enhanced our operational framework to drive stronger outcomes across our core business verticals. By implementing process improvements, integrating advanced technologies and investing in targeted workforce development, we have strengthened service delivery and increased overall capacity. Additionally, our operations now incorporate more energy-efficient practices and environmentally responsible workflows, supporting long-term sustainability and resilience.



- Our systems are upto date and are in align with the latest requirements of ISO 9001:2015, ISO 27001 and ISO 14001 standards.
- Our product portfolio is fully compliant with relevant industry-specific IEC and IEEE standards.

Seamless Collaboration Across Business Functions

We form integrated project teams that combine expertise from data centre deployment, system architecture and support services. These teams operate within a unified leadership structure, guided by shared project timelines and coordinated through regular meetings. Transparent communication is facilitated through platforms such as Slack, Microsoft Teams and dedicated project management tools, while predefined escalation mechanisms ensure prompt and effective issue resolution.

Improved Oversight and Operational Visibility

We have developed internal tools and dashboards that offer end-to-end visibility into project progress and key service metrics. Our proprietary platform, PULSE, centralises deal tracking, resource allocation, escalation workflows and execution monitoring. Ongoing enhancements will introduce AI-driven insights and predictive alerts, to strengthen project control and responsiveness. Additionally, business intelligence dashboards enable in-depth analysis of SLA performance, risk factors and operational patterns across multiple locations.

Adherence to Global Standards for Performance and Security

Our operations are aligned with internationally recognised standards, including ISO/IEC 27001, ISO/IEC 20000-1, ISO 9001 and ISO 14001. We leverage advanced infrastructure monitoring tools and real-time alert systems to proactively track performance and minimise downtime. Our security framework incorporates multi-layered controls, strict access governance, encryption, regular audits and vulnerability assessments. These systems ensure infrastructure protection and reliable uptime across all projects.

Knowledge Transfer and Process Consistency

We maintain a centralised knowledge repository where teams document key processes, troubleshooting insights and best practices. Regular knowledge-sharing sessions, internal workshops and mentorship programmes facilitate seamless information flow across functions. Structured project review cycles, with clearly defined responsibilities and follow-ups, support faster decision-making and promote greater accountability.

Resource Deployment for Multi-Site Project Execution

For long-term infrastructure projects spanning multiple locations, we employ phased resource planning and modular project scheduling. A shared pool of skilled personnel and tools enable flexible deployment across sites as needed. Resource utilisation and productivity are monitored through defined KPIs, enabling real-time resource optimisation. Regular coordination between project leaders and support functions ensure availability and facilitates early resolution of constraints.

Strategic Expansion Across Capabilities and Markets

Our operational scale has expanded through strategic infrastructure upgrades, market entry initiatives and service diversification. We acquired a 70% stake in Fluidtech IT Services Private Limited, enhancing our capabilities in advanced cybersecurity services, including network protection, risk management and managed security operations.

During the year, we quadrupled the capacity of ZeaCloud through a ₹5 Crores investment, significantly enhancing our ability to support hybrid-cloud deployments. We established a subsidiary in Singapore, reinforcing our presence in Southeast Asia and are actively expanding across key locations in South India.

Our global partnerships with NVIDIA, Scalify and Cato Networks have widened our access to GPU acceleration, secure storage and software-defined networking. These strategic developments have strengthened our operational foundation and positioned us for scalable growth across both domestic and international markets.

ESG

Whether it is reducing the carbon footprint of our data centres, investing in people as we grow into new technologies or staying accountable through strong governance, our commitment goes beyond compliance. We aim to build a sustainable, inclusive and ethically governed organisation that creates value for all stakeholders.



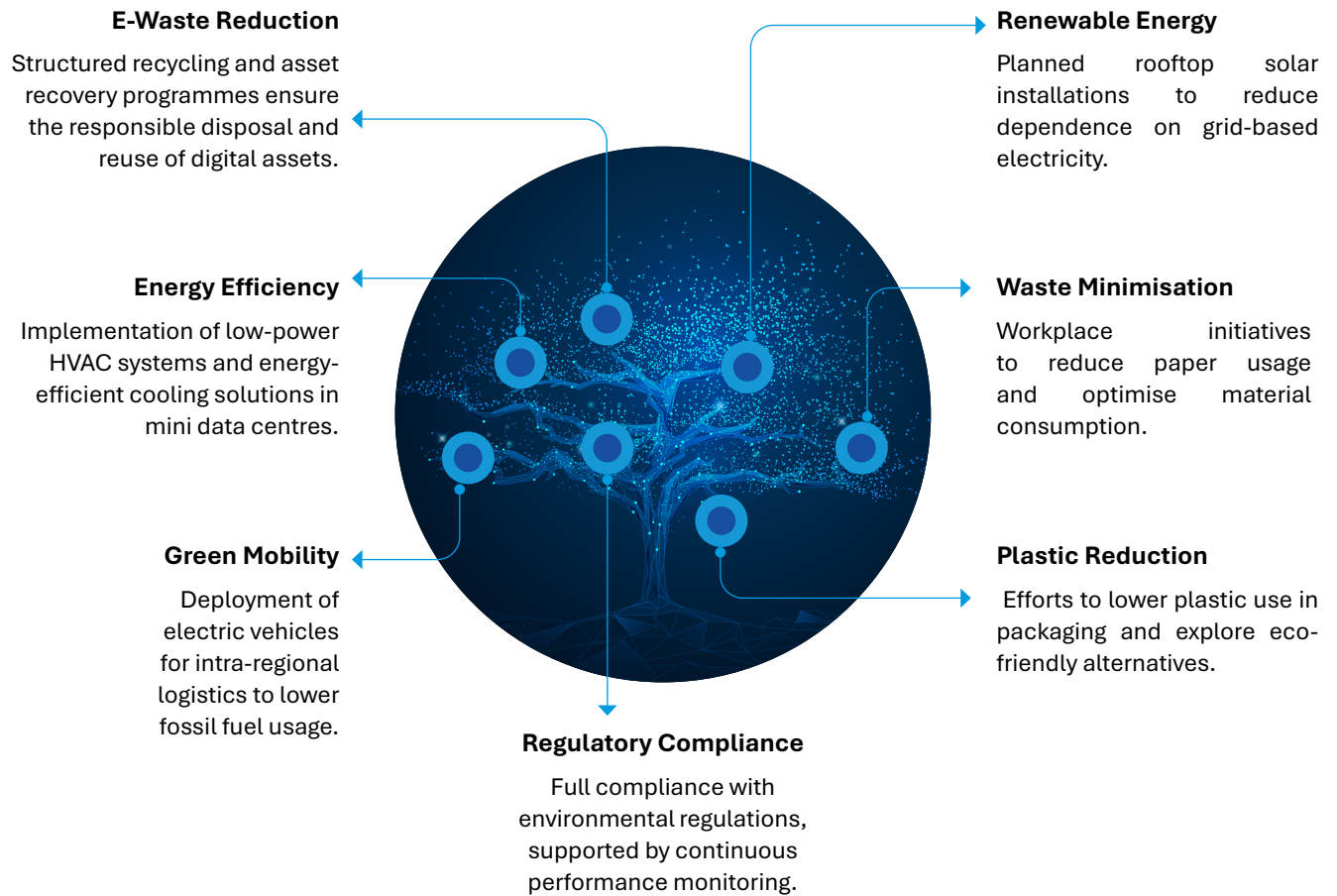
Commitment to a Cleaner Planet

The adoption of our first formal Environmental Policy marked a significant milestone in institutionalising structured, accountable and forward-looking environmental practices across our operations. Initiatives such as reducing e-waste, optimising resource utilisation and accelerating the transition to renewable energy reflect our commitment to aligning with global ESG standards and national sustainability goals.

Environment

Our Environmental Sustainability Targets

Our Environmental Policy outlines core environmental objectives aimed at reducing our ecological footprint while improving operational efficiency. The policy is supported by targeted initiatives across several focus areas



Progress Achieved in FY 2024–25

Our sustainability initiatives were translated into tangible actions over the past year, establishing a strong foundation for long-term environmental impact. Key achievements include:

- Conducted a comprehensive inspections by specialists to assess energy consumption patterns and identify opportunities for optimisation.
- Launched structured e-waste recycling and refurbishment programmes with secure disposal protocols.
- Implemented low-power air-conditioning systems across office spaces and IT infrastructure, resulting in improved energy savings.
- Conducted sensitisation sessions across teams and departments to promote the adoption of sustainable practices throughout the organisation.
- Increased the use of EVs for short-haul and last-mile deliveries to reduce carbon emissions.

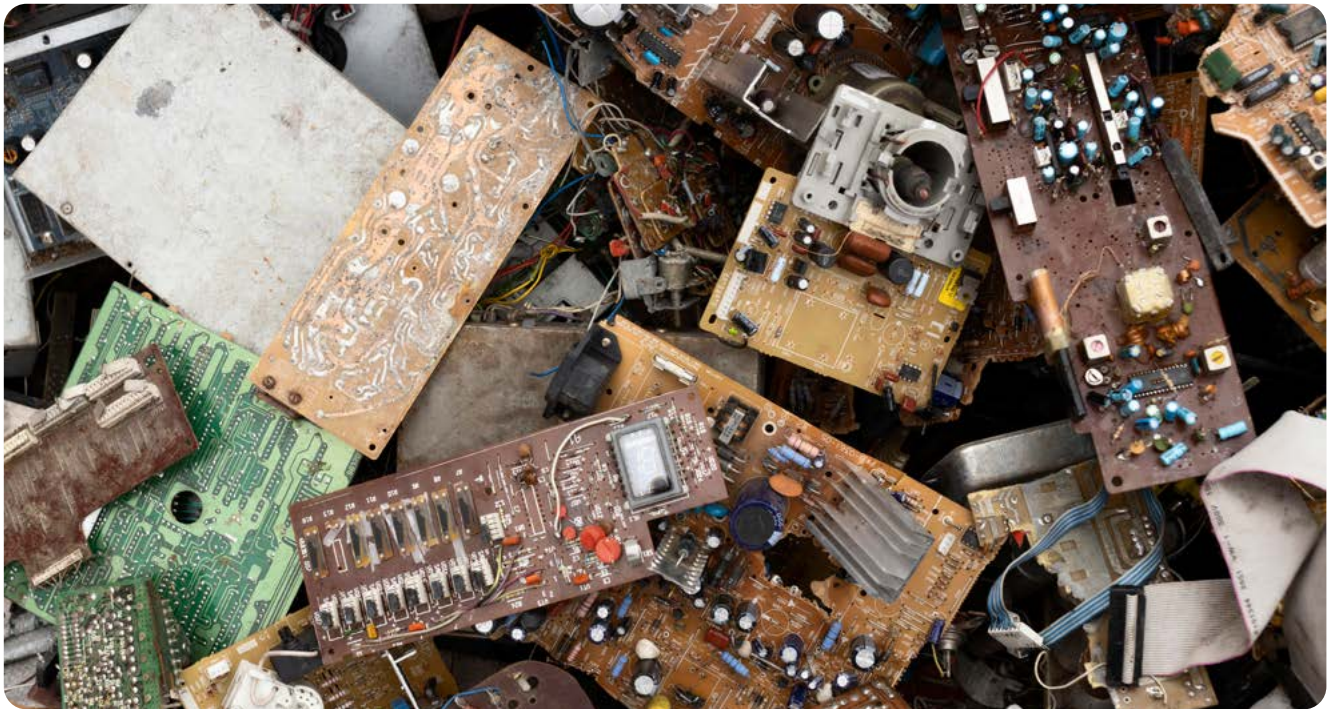


Responsible Hardware and E-Waste Management

We implemented proactive lifecycle management strategies to minimise the environmental impact of hardware usage and disposal. Instead of early replacement, equipment was routinely upgraded and maintained to extend its operational lifespan. Unused and

outdated devices were retrieved and processed through internal recycling programmes focused on value recovery and waste reduction. Devices scheduled for disposal underwent secure data wiping, followed by responsible reuse of components

where possible. We also collaborated with clients to facilitate the return of used hardware, which was routed through authorised recycling partners to ensure environmentally compliant disposal.



Environmental Compliance and Monitoring

We maintain strict compliance with environmental regulations across all business units and client engagements through a structured framework of internal protocols. Regular internal audits and environmental performance reviews are conducted to monitor and maintain adherence. Vendors and internal teams are actively engaged to promote awareness and application of applicable environmental laws and best practices. Real-time compliance tracking systems have been embedded into operational workflows, enabling early detection of potential deviations and prompt implementation of corrective actions.



Sustainability in Future Infrastructure

New office and data centre deployments are being equipped with energy monitoring systems to enable effective tracking and management of power consumption. Lifecycle analytics are being implemented to optimise hardware utilisation and prevent premature replacements. Additionally, we are exploring emissions forecasting tools to help project teams assess the carbon impact of upcoming initiatives and incorporate mitigation strategies from the outset.

Looking Ahead

As we continue to scale, we will advance our environmental initiatives through technology-driven efficiencies, stakeholder collaboration and responsible innovation. Our sustainability roadmap will evolve with a focus on measurable impact, ensuring accountability to our long-term environmental goals and vision.



Building Stronger Bonds

In FY 25, we made strategic investments in talent acquisition, continuous learning and leadership development to support our expansion into emerging technology domains such as AI, hybrid cloud, cybersecurity and HPC infrastructure. The successful integration of Fluidech IT Services further strengthened our talent base and prompted the evolution of our human capital strategy, enabling us to build a more diversified, agile and future-ready organisation.

Social

Human Resource

60+

Total Workforce

10%

Gender Diversity (10% Female & 90% Males)

100+

Training hours

15+

New hires



Building a Future-Ready Workforce

As we expanded into new verticals and scaled our service offerings, Esconet recalibrated its talent strategy to align with technological advancements and business diversification. We focused on hiring specialised professionals in areas such as data centre engineering, cloud-native infrastructure, security architecture and GRC/SOC services. To attract top-tier talent in AI, IoT and digital infrastructure, we partnered with leading academic institutions and leveraged global talent platforms. In support of our growing HexaData® platform and mission-critical IT services, we prioritised the accelerated onboarding of niche talent.

Training and Development

To stay ahead in a rapidly evolving technology landscape, we launched structured learning programmes to upskill our workforce in cloud, security and AI domains. These initiatives included OEM-led certification programmes in hybrid cloud, security and HPC stacks, complemented by internal bootcamps and dedicated Centres of Excellence (CoEs). Our CoEs focus on areas such as GPU

acceleration, AI/ML frameworks, HexaData® server optimisation and advanced cybersecurity tools. We also implemented a Skills Matrix Framework to evaluate employee competencies, identify skill gaps and design tailored upskilling roadmaps, ensuring a future-ready and highly capable workforce.

Nurturing the Next Generation

To ensure continuity and scale, we strengthened our development frameworks for mid- and senior-level talent. Structured onboarding and career progression plans were introduced for emerging leaders, supported by one-on-one executive coaching as part of the 'Life at Esconet' experience platform. We implemented robust succession planning frameworks to identify high-potential individuals and prepare them for critical leadership roles.

Performance Management and Talent Acceleration

A comprehensive performance assessment system allowed us to identify, retain and accelerate high-potential talent. The evaluation process combined KPIs, peer feedback and role-specific competencies to deliver a holistic view of employee contributions. Career acceleration initiatives included rotational assignments, strategic projects and mentorship programmes. High-potential employees were also provided with early leadership development opportunities through executive shadowing and personalised guidance from senior leaders.

Gender, Diversity and Inclusion

In FY 2024–25, Esconet was recognised as a 'Great Place to Work', affirming our dedication to cultivating an inclusive culture. We introduced flexible work models, including hybrid and remote options, to support diverse employee needs. Additionally, we promoted cultural inclusion through employee-led groups, festival celebrations and inclusive communication initiatives.

Enriching the 'Life at Esconet'

Through the 'Life at Esconet' platform, we enhanced employee engagement, cultural integration and overall well-being. Key initiatives included team-building activities, internal competitions and technical showcases. We celebrated both professional and personal milestones, while providing a structured onboarding experience that fully immerses new employees in the Company's culture and values.

Cross-Functional Collaboration and Team Integration

We prioritised seamless collaboration and knowledge-sharing across teams by establishing cross-functional project groups to enhance synergy and agility in execution. We encouraged peer learning and innovation through internal hackathons, knowledge-sharing sessions and forums designed to encourage technical exchange and creative problem-solving.

Feedback and Communication

We strengthened communication channels and implemented robust feedback mechanisms to drive transparency and responsiveness. Regular pulse surveys, onboarding feedback forms and anonymous suggestion boxes provided employees with multiple avenues to share their perspectives. These insights informed HR initiatives and leadership decisions through open forums, team leader roundtables and responsive HR policies.

Our CSR initiatives create lasting value for both the environment and the communities we serve. In FY25, we directed our CSR investments towards advancing ecological sustainability and enhancing climate awareness, reaffirming our commitment to being a responsible corporate citizen.

Corporate Social Responsibility

Strategic Focus Areas



Ecological Balance

Implementing afforestation initiatives that promote carbon sequestration and restore urban ecosystems.



Community Awareness

Empowering local communities with the knowledge and resources needed to participate in grassroots climate action.

₹8,41,050

Invested in CSR Initiatives in FY 2024-25

Driving Environmental Sustainability

Our CSR efforts during the year were dedicated to advancing environmental goals through targeted, high-impact initiatives implemented in collaboration with Swachh Paryavaran Trust, a registered CSR implementation agency with experience in environmental development.

The programme centred around two key components:



Tree Plantation Drives

Conducted across the Delhi NCR region, to increase urban green cover, improve air quality and support biodiversity.



Climate Awareness Campaigns

Engaged local communities to enhance understanding of climate change, promote conservation practices and encourage sustainable lifestyles.

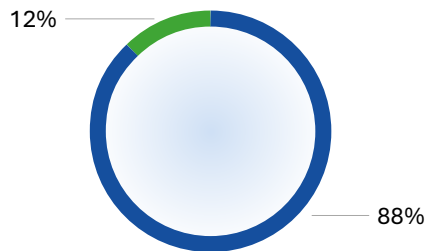
Partnerships for Scalable Execution

Our collaboration with Swachh Paryavaran Trust was central to the success of this year's CSR programmes. The Trust managed the identification and preparation of plantation sites, mobilised local communities and coordinated climate awareness activities. Their domain expertise ensured professional execution and delivered meaningful outcomes at the grassroots level.

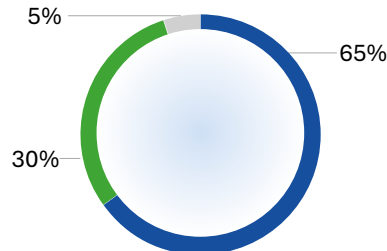
The Foundation of Responsible Growth

Our governance framework is designed to promote transparent decision-making, ensure accountability and maintain compliance with all relevant laws and standards, safeguarding the interests of all stakeholders.

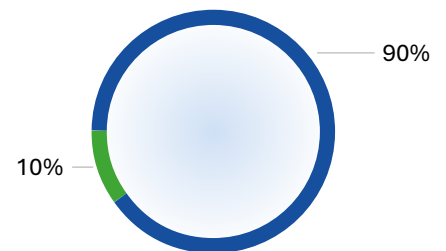
Governance

Age Diversity (%) | (in %)

- <50 Years
- >50 Years

Years of Experience | (in %)

- <15 Years
- 15-30 Years
- >30 Years

Gender Diversity | (in %)

- Male
- Female

Committees

Our Board-level committees are integral to maintaining transparent, effective and responsible governance. They provide strategic oversight and facilitate informed decision-making, aligning with regulatory requirements and stakeholder expectations.

Audit Committee

Oversees financial reporting, internal controls and audit processes to ensure accuracy, accountability and compliance with statutory obligations.

Composition of Audit Committee

Name of the Director	Designation in Committee	Category
Ms. Ashi Jain	Chairperson	Non-Executive Independent Director
Mr. Mukesh Chand Jain	Member	Non-Executive Independent Director
Mr. Manoj Chugh	Member	Non-Executive Independent Director
Mr. Santosh Kumar Agrawal	Member	Director

Nomination and Remuneration Committee

Reviews and recommends Board composition, appointments and compensation policies to promote fair and merit-based leadership.

Composition of Nomination and Remuneration Committee

Name of the Director	Designation in Committee	Category
Mr. Manoj Chugh	Chairperson	Non-Executive Independent Director
Mrs. Ashi Jain	Member	Non-Executive Independent Director
Mr. Mukesh Chand Jain	Member	Non-Executive Independent Director

Stakeholders Relationship Committee

Monitors and addresses stakeholder grievances, particularly those of shareholders, ensuring timely and effective resolution.

Composition of Stakeholders Relationship Committee

Name of the Director	Designation in Committee	Category
Mr. Mukesh Chand Jain	Chairperson	Non-Executive Independent Director
Mr. Manoj Chugh	Member	Non-Executive Independent Director
Mr. Santosh Kumar Agrawal	Member	Director
Mr. Sunil Kumar Agrawal	Member	Director

Policies and Codes of Conduct



Board of Directors

Guiding Hands Behind Our Growth



Mr Santosh Kumar Agrawal
Managing Director

Mr Santosh Kumar Agrawal is a second-generation entrepreneur who began his IT career in 1997 with Electro Sales Corporation, a Company specialising in hardware and software trading. Guided by strong values, he transformed the business into Esconet Technologies in 2012, with a focus on IT solutions, cloud computing and building enduring client relationships. A certified cloud architect and experienced IT infrastructure architect, he has a deep passion for technology, data security, and disruptive innovations. He upholds the highest standards of integrity and excellence, ensuring exceptional service delivery to clients.



Mr Sunil Kumar Agrawal
Whole-Time Director

Mr Sunil Kumar Agrawal, a second-generation entrepreneur, commenced his IT career in 1998 with Electro Sales Corporation, specialising in hardware and software trading. With academic backgrounds in commerce and law, combined with a strong interest in mechanical engineering and IT hardware, he demonstrated exceptional technological insight early on. His entrepreneurial vision and technical expertise played a key role in transforming the business into Esconet Technologies Pvt. Ltd. in 2012. He possesses expertise in server architecture, having designed custom-built servers and workstations optimised for Artificial Intelligence and Machine Learning applications. His extensive industry experience is complemented by a deep understanding of emerging technologies.



Mr Vineet Agrawal
Whole-Time Director

Mr Vineet Agrawal, a third-generation entrepreneur, currently serves as Whole-Time Director at Esconet Technologies. Energetic, ambitious and a quick learner, he has established a strong track record in sales and marketing. Renowned for his diligence and forward-thinking approach, he brings fresh perspectives and enthusiasm to the organisation. His leadership is expected to play a significant role in strengthening the Company's position within the IT infrastructure solutions and services sector.

Board of Directors (Contd...)



Mr Mukesh Chand Jain
Non-Executive
Independent Director

Mr Mukesh Chand Jain, brings over three decades of experience in corporate finance and law. He has held senior positions at Steel Authority of India Limited (SAIL), a Maharatna public sector undertaking and served as Chief Financial Officer and Company Secretary of International Coal Ventures Private Limited (ICVL). Prior to his retirement on 30th June 2019, he was Executive Director (Finance and Accounts) and Company Secretary at SAIL. He holds degrees in Commerce and Law from Delhi University and is a qualified Company Secretary, Cost Accountant as well as a registered Insolvency Professional and Valuer accredited by the Insolvency and Bankruptcy Board of India.



Mrs Ashi Jain
Non-Executive Women
Independent Director

Mrs Ashi Jain is a qualified Company Secretary in Practice with nearly eight years of professional experience serving clients across diverse sectors. She joined the Board of Esconet Technologies as an Independent Director in October 2023. In addition to managing her own professional practice, she is recognised for her strong communication skills, problem-solving capabilities and effective relationship management. She is well-versed in handling compliance matters across platforms such as the MCA portal, Company Law Board (CLB), SEBI and the Stock Exchange.



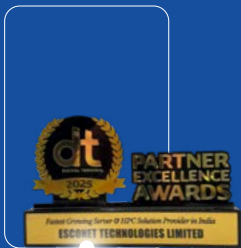
Mr. Manoj Chugh
Non-Executive
Independent Director

Mr. Manoj Chugh joined the Esconet Board as Independent Director in January 2025 is an Information and Communications Technology Industry veteran, with a pioneering career spanning over 4 decades. He has managed and led businesses to achieve pole position, across Technology & Services domains with both Indian and Global Majors. He is a well-respected Visionary leader, who is known to leverage technology for greater societal good and to build long term sustainable businesses. He is credited with being the pioneer of Internet Revolution in India. Under his leadership, India witnessed the birth and creation of over 100,000 Networking Professionals and has also been recognized as one of the top ten people to have shaped the last decade of the Indian IT Industry.

Manoj enabled the establishment of Cisco and EMC's Global Development Centres in India through a Multi-Billion Dollar commitment. These were amongst the earliest such Engineering Centers to be established in India. He led the Enterprise Business (Satyam acquisition) of Tech Mahindra, for six years, as its Global President, where he was responsible for Enterprise business units across 70 Global Markets. Manoj then moved to the parent, Mahindra Group's; Group Corporate Office as the President-Group Public Affairs and Member of the Group Executive Board. He leads Public Policy and Advocacy across the Federation of 150 Firms, cutting across all major sectors of the Economy.

Awards and Accolades

Recognitions that Inspire Our Journey Forward



2025

- DT Terminal Partner Excellence Award



2024

- Top Achiever Award from NCN Magazine (Winning the Best High Performance Computing IT Infrastructure Provider Company of 2024).
- Has been officially recognized as an Authorized VMware Reseller under the updated Broadcom Advantage Partner Program, effective August 2, 2025.



2023

- Forbes India's List of Top 200 Organisations with Global Potential
- Best SI Partner by AMD



2022

- Most Significant Project of the Year by Veeam
- ChannelWorld Premier 100 Award



2021 and 2017

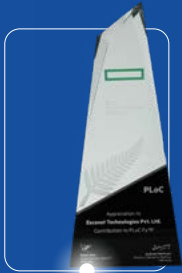
- ChannelWorld Premier 100 Hall of Fame Award



2020

- Upcoming Cloud Solutions Provider of 2020, Zea Cloud by NCN

Awards and Accolades



2019

- Appreciation award by Hewlett-Packard Enterprise



2018

- Partner Performance Award by Intel
- Best SI Partner award by AMD
- Best Gold Partner by Sophos
- Cloud Data Centre Specialist award by Intel



2017

- Retailer Specialist Intel
- Emerging Partner Award by NetApp



2016

- Cover Story coverage by CIOReview Magazine
- EMC Best Partner Individual on Accreditation – North



2015

- Rising Star of the Year North by VMware



2013

- Cover Story coverage by ChannelWorld Magazine



2012

- Warrior of the Year by EMC 2

Directors' Report

To
The Members,
ESCONET TECHNOLOGIES LIMITED

Your directors have pleasure in presenting this 13th Annual Report of the Esconet Technologies Limited ("Company") together with the Standalone and Consolidated Audited Financial Statement(s) of the Company for the Financial year ended March 31, 2025.

In compliance with the applicable provisions of the Companies Act, 2013, ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), this Annual Report containing, inter alia, Standalone and Consolidated Audited Financial Statements, Notice of Annual General Meeting ('AGM'), Directors' Report, Management Discussion and Analysis Report, Auditors' Report and other important information is circulated to Members and others entitled thereto.

1. FINANCIAL RESULTS:

(Amount is in ₹ lakhs)

Particulars	Standalone Basis		Consolidated Basis	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Sales & Services	22509.98	13747.50	23029.80	14054.99
Other Income	289.98	24.23	295.29	24.76
Total Income	22799.96	13771.73	23325.09	14079.75
Total Expenses	21887.16	13044.24	22262.95	13335.41
Profit/(Loss) before Tax & Exceptional Item	912.80	727.48	1062.14	744.34
Exceptional Item	--	--	--	--
Profit/(Loss) before Tax	912.80	727.48	1062.14	744.34
- Current tax	239.60	193.86	270.00	194.42
- Income tax -prior years	--8.95	--	-8.95	--
- Deferred Tax-Continued operation	-6.84	3.67	1.38	6.87
Profit/(Loss) after Tax	688.98	529.95	799.71	543.05
Less: Dividend paid during the year	--	--	--	--
Profit/(Loss) for the Year	688.98	529.95	799.71	543.05

There have been no material changes or commitments subsequent to the close of the financial year ending 31st March 2025 and up to the date of this report that could materially affect the financial position of the Company. Furthermore, there has been no material change in the nature of the Company's business operations during this period.

Based on the internal financial control framework and compliance systems established within the Company, which have been regularly verified by the auditors and subject to review by the management and/or the Audit Committee of the Board, the Board is of the considered opinion that the Company's internal financial controls were both adequate and effective throughout the financial year 2024-25. This ensures the accuracy and reliability of the financial reporting process and reinforces the integrity of the Company's financial management practices.

2. FINANCIAL PERFORMANCE:

FISCAL YEAR 2024-25 HIGHLIGHTS

OPERATIONAL REVENUES



STANDALONE

₹ 225.09 Crores

CONSOLIDATED

₹ 230.29 Crores

KEY ACHIEVEMENTS



REVENUE GROWTH

Significant increase in operational revenues compared to FY 2023-24



PROFIT MARGIN

Improved profitability driven by strategic initiatives



MARKET POSITION

Strengthened market presence and increased customer engagement.



FUTURE OUTLOOK

Positioned for sustained growth and market leadership



INNOVATION FOCUS

Commitment to innovation and customer-centric strategies



FINANCIAL HEALTH

Enhanced financial performance and robust profitability

FUTURE OUTLOOK



CONTINUED GROWTH

Positioned for sustained growth and market leadership



INNOVATION FOCUS

Commitment to innovation and customer-centric strategies

The fiscal year 2024-25 has been a period of significant growth for the Company, driven by increased operational revenues and strengthened profit margins. This performance reflects the diligent efforts and strategic focus of our team, as well as the successful execution of initiatives aimed at expanding our market presence.

Our proactive approach, characterized by innovation and a deep understanding of customer needs, has enabled us to deliver exceptional products and services that resonate with our target audience. This has resulted in heightened customer engagement, increased sales, and enhanced customer loyalty.

Furthermore, we have effectively capitalized on emerging industry trends and market opportunities, positioning ourselves ahead of competitors. This strategic agility has been instrumental in maintaining our market share and fostering sustainable growth, laying a solid foundation for continued success in the coming years.

A. Standalone Financial Performance

The Company's standalone revenue from operations for the fiscal year 2024-25 stood at ₹ 225.09 Crores, representing a substantial increase from ₹ 137.47 Crores reported in the previous fiscal year. This robust growth underscores the effectiveness of our operational strategies and market expansion efforts.

The net profit for the year under review was ₹ 6.89 Crores, reflecting an improvement over the prior year's net profit of ₹ 5.29 Crores. This uptick in profitability is attributable to enhanced operational efficiencies, cost optimization measures, and a focus on high-margin offerings.

B. Consolidated

On a consolidated basis, the Company's revenue from operations for the fiscal year 2024-25 was ₹ 230.29 Crores, marking a notable increase compared to the previous year's figures. The consolidated profit after tax for the year was ₹ 7.99 Crores, up from ₹ 5.43 Crores in the prior year, demonstrating overall improved financial health and profitability.

3. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129(3) of the Companies Act, 2013, the Company has prepared the Consolidated Financial Statements for the financial year ending 31st March 2025. These consolidated statements encompass the financial position, performance, and cash flows of the Company along with its subsidiary Companies, collectively referred to as the "Group."

The preparation of these financial statements has been carried out in compliance with the applicable Indian Accounting Standards (Ind AS) as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements provide a comprehensive view of the financial health and operational results of the Group, ensuring transparency and adherence to statutory requirements.

The consolidated financial statements are included as an integral part of this Annual Report for the information of the members and stakeholders.

4. CONVERSION OF COMPANY FROM PRIVATE LIMITED TO PUBLIC LIMITED

Considering the fund raising through the Initial Public Offering, The Company underwent a strategic transformation by converting from a "Private Limited Company" to a "Public Limited Company." This change was effectuated to facilitate broader capital raising opportunities and enhance corporate governance standards. Consequently, the Company's name was officially changed from "Esconet Technologies Private Limited" to "Esconet Technologies Limited" with effect from 21st September 2023.

Following the completion of the statutory conversion process, the Registrar of Companies, New Delhi, issued a Fresh Certificate of Incorporation, duly reflecting the change in the Company's constitution from private to public status. This development marks a significant milestone in the Company's growth trajectory, positioning it for greater transparency, shareholder engagement, and long-term sustainability.

5. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Your Company recognizes the significance of adapting to dynamic market conditions and the evolving needs of our customers. We are committed to continuous improvement as a vital strategy to maintain our competitive edge. Our efforts are focused on streamlining operational processes, enhancing efficiency, and leveraging technological innovations to foster growth and elevate client satisfaction.

Our strategic goal is to build a more agile and innovative organization, capable of swiftly responding to market changes and seizing emerging opportunities. The management remains confident that these transformational initiatives will position the Company for sustained long-term success and growth.

6. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the main business activities of the Company. The Company continued to operate in the same business segments without any modifications or diversification in its core activities.

7. DETAILS OF LOCK – IN OF SHARES

In accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR Regulations, 2018), the shares held by our Promoters and Public Shareholders, who held shares prior to the Company's Initial Public Offering (IPO), were subject to and held under a mandatory lock-in period as prescribed by SEBI regulations. This lock-in period was implemented to promote market stability, ensure investor confidence, and prevent undue volatility in the immediate post-listing phase.

The lock-in restrictions applicable to Public Shareholders have been released following the completion of the prescribed one-year lock-in period post-listing, in accordance with regulatory requirements. This release has facilitated increased liquidity and trading flexibility for the public shareholders.

Additionally, shares allotted by the Company to persons belonging to the non-promoter public category during the financial year through preferential allotment are also subject to lock-in, in compliance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Such lock-in arrangements are aimed at ensuring transparency, safeguarding the interests of all stakeholders, and maintaining compliance with prevailing regulatory norms.

The lock-in obligations are designed to promote long-term shareholder commitment and stability in

the Company's ownership structure. The specific duration of the lock-in periods, as mandated by SEBI regulations, is maintained in the Company's records and disclosed to the stock exchanges in accordance with statutory requirements.

8. DIVIDEND:

Pursuant to Section 134 (3) of the Companies Act, 2013 read with Secretarial Standard (SS-4) the Board of Directors, after considering holistically the relevant circumstances and current financial positions, has decided that it would be prudent not to recommend any dividend for the year under review.

The Board of Directors of the Company had approved and adopted a Policy on Distribution of Dividend, as amended from time to time, to comply with Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The said Policy of the Company sets out the parameters and circumstances that will be taken into account by the Board in determining whether or not to distribute dividend to its shareholders, the quantum of profits and/or retained profits earned by the Company to be distributed as dividend.

The policy is available on the website of the Company viz. <https://www.esc.co.in>.

9. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There was no amount lying with regard to unpaid and unclaimed dividend of earlier years which was required to be transferred or is due to be transferred to the Investor Education and Protection Fund (IEPF) during the financial year 2024-25, in terms of the applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended time to time.

There were no shares on which were required to be transferred or is due to be transferred to the IEPF, during the FY 2024-25.

10. INITIAL PUBLIC OFFER AND LISTING OF SHARES OF THE COMPANY

The Company successfully listed its equity shares on the National Stock Exchange (NSE) SME platform on February 23, 2023, marking a significant milestone in its growth trajectory. This strategic move has enhanced the Company's visibility and accessibility within the financial markets. In alignment with its commitment to regulatory compliance and market presence, the Company has duly paid the annual listing fee for the current financial year 2025-2026.

The Company's equity shares are electronically registered under ISIN No. INE0RQZ01017, ensuring seamless trading and settlement processes. Additionally, the Company has issued and allotted 213,600 warrants, which are convertible into equity shares. These warrants are also electronically registered under ISIN No. INE0RQZ13012, providing an attractive opportunity for future equity participation and shareholder value enhancement.

This strategic positioning underscores the Company's commitment to transparency, growth, and value creation for its stakeholders.

11. DEPOSITORIES

Your Company has arrangements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'), the

Depositories, for facilitating the members to trade in the fully paid-up equity shares of the Company in Dematerialized form. The Annual Custody fees for the FY 2025-26 has been paid to both the Depositories.

12. STATEMENT OF UTILIZATION OF FUNDS RAISED THROUGH IPO/ PREFERENTIAL UNDER REGULATIONS 32 (1) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

A. Utilization of IPO Proceeds

In previous Financial Year ended on 31st March 2024, the company has come up with Initial Public Offer of 33,60,000 (Thirty-Three lakhs Sixty Thousand only) Equity shares of ₹ 10/- each at issue price of ₹ 84/- per Equity share, including a premium of ₹ 74/- per equity share aggregating to ₹ 2822.40 Lakhs.

The Details of utilization during the year ended 31st March 2025 is summarized below;

Original Object	Amount Received from IPO (₹ in Lakhs)	Utilized upto 31 st March 2025 (₹ in Lakhs)
Working capital requirement of our company "Esconet Technologies Limited.	1,600/-	1,600/-
Investments in Wholly Subsidiary Company, Zeacloud Services Private Limited, to fund its capital expenditure expenses.	2,50/-	250/-
General corporate purposes	542.22/-	542.22/-
Issue related expenses for IPO	429.78/-	429.78/-
Total (Net Proceeds)	2822.40/-	2822.40/-

Pursuant to Regulation 32(1)(a) and 32(1)(b) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby states that:

- There was no deviation(s) in the utilization of public issue proceeds from the objects as stated in the prospectus dated February 20th, 2024.
- There has been no variation(s) in the use of proceeds from the objects stated in the prospectus dated February 20th, 2024.

B. Utilization of Preferential Allotment Proceeds:

In the current financial year, the Company, on a preferential basis, at an issue price of ₹ 345 per equity share/warrant (including a premium of ₹ 335 per unit) completed allotment of 7,34,000 equity shares and 2,13,600 warrants on 24th October 2024 under the SEBI (ICDR) Regulations, 2018 to persons within the Non-Promoter/Non-Promoter Group category.

The warrants are convertible into equity shares at any time within 18 months from the date of allotment, upon payment of the reaming Warrant Exercise Price of ₹ 258.75 per warrant, on a 1:1 basis, at the stipulated issue price.

The Details of utilization during the year ended 31st March 2025 is summarized below;

Original Object	Amount Received from Preferential Allotment (₹ in Lakhs) (Assuming Full Conversion of Warrants)	Utilized upto 31 st March 2025 (₹ in Lakhs)
To infuse funds in Wholly owned Subsidiary i.e., Zeacloud Services Private Limited for its business expansion purpose	1250/-	250/-
Additional Working Capital i.e. Esconet Technologies Limited..	1000/-	--
Repayment of Loan against the Company	400.00/-	247.95/-

Original Object	Amount Received from Preferential Allotment (₹ in Lakhs) (Assuming Full Conversion of Warrants)	Utilized upto 31 st March 2025 (₹ in Lakhs)
General corporate purposes including issues related expenses	619.22/-	231.46/-
Total (Net Proceeds)	3269.22/-	729.41/-

Note: Pursuant to the provisions of section 52(2)(c) of the Companies Act, 2013, the entire expense of issue of shares through Preferential Allotment has been netted off from the Securities Premium Account under the General Corporate Purpose.

Pursuant to Regulation 32(1)(a) and 32(1)(b) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby states that:

- There was no deviation(s) in the utilization of issue proceeds from the objects as stated in the offer document and There has been no variation(s) in the use of proceeds from the objects stated in the offer document.

13. SHARE CAPITAL STRUCTURE OF THE COMPANY

A. Authorized Capital and Changes thereon if any

As of the date of this Report, the Authorized Capital of the Company stands at ₹ 15,00,00,000 (Rupees Fifteen Crores). This authorized capital is divided into 1,50,00,000 (One Crore and Fifty Lakh) equity shares of ₹ 10 (Rupees Ten) each. The Authorized Share Capital represents the maximum amount of share capital that the Company is authorized to issue to its shareholders as per the provisions of the Memorandum of Association and the Company's Articles of Association.

During the financial year under review, there have been no alterations, increases, or reductions in the authorized share capital of the Company. The authorized share capital remains unchanged at ₹ 15,00,00,000, with no resolution passed or pending to alter the same. The Company continues to operate within the authorized limits as prescribed under the relevant statutory and regulatory provisions.

B. Paid up Capital and Changes thereon, if any:

As of March 31, 2025, the Company's issued, subscribed, and paid-up capital stood at ₹ 13,09,40,000 (Rupees Thirteen Crores Nine Lakhs Forty Thousand Only), comprising 1,30,94,000 equity shares of ₹ 10 each. This reflects the Company's solid growth and expanding shareholder base over the year.

During the year, the Company had issued Shares by way of following Allotments:

S. No.	Type of Issue	Date Of Allotment	No. of Shares Issued	Total Amount at face value (in ₹)
1.	Preferential Allotment	24 th October 2024	7,34,000	73,40,000
Total			7,34,000	73,40,000

and the issued, subscribed, and Paid-up capital of the company is increased from ₹ 12,36,00,000/- to ₹ 13,19,62,380/-.

However, after closure of the Financial Year the Paid-up capital was changed due to allotment of 1,02,238 Equity Shares to Mr. Gaurav Gupta on 7TH April 2025 and as on date of this report the Issued, Subscribed and Paid-up capital is ₹ 13,19,62,380/- (Rupees Thirteen crores Nineteen Lakhs Sixty-Two Thousand and Three Hundred Eighty only) divided into 1,31,96,238 (One Crore Thirty-One Lakh Ninety-Six Thousand Two Hundred and Thirty Eights) equity shares of ₹ 10/- each.

Other than above-mentioned there has been no change in the Share Capital, Issued, paid up and Subscribed Capital of the company during the year under review.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company does have transactions with related party in terms of Section 188 of the Companies Act, 2013. Hence, the disclosure required to be provided under Section 134(3) (h) of the Companies Act, 2013, in Form AOC – 2 is applicable is furnished as Annexure I to this report.

The Disclosures as required under Accounting Standard – 18 (AS-18) “Related Party Disclosures” notified under Rule 7 of the Companies (Accounts) Rules, 2014 have been provided in the Notes forming part of the Financial Statements.

15. SUBSIDIARY COMPANIES AND JOINT VENTURE

As of 31st March 2025, the Company has established two wholly owned subsidiary companies, which are instrumental in executing its strategic business objectives and expanding its operational footprint:

- Zeacloud Services Private Limited
- Esconet Singapore Pte Ltd.

The Company actively supports its subsidiaries by providing necessary financial assistance, including loans, guarantees, and other forms of funding, to meet their respective working capital needs and facilitate their ongoing business operations. The allocation of resources is undertaken in accordance with the Company's internal policies and the specific requirements of each subsidiary, ensuring alignment with overall corporate strategy and risk management frameworks.

As per the provisions of the Companies Act, 2013, and the applicable accounting standards, there are no other subsidiaries, joint ventures, or associate companies within the meaning of Sections 2(87) and 2(6) of the Act, as on the balance sheet date of 31st March 2025.

Subsequent Events:

Following the close of the financial year, the Company further strengthened its subsidiary portfolio by completing the acquisition of a 70% equity stake in **Fluidech IT Services Private Limited** in April 2025. This strategic acquisition is aligned with the Company's vision to diversify its service offerings and expand its technological capabilities. As of the date of this report, Fluidech IT Services Private Limited is operational as a subsidiary of the Company, and the integration process is underway to realize synergies and value creation.

This expansion underscores the Company's commitment to pursuing growth opportunities through strategic acquisitions and consolidating its position within the industry. The Company remains dedicated to maintaining transparency and adhering to all regulatory requirements related to its subsidiary operations and investments.

16. AUDITED ACCOUNTS OF SUBSIDIARY COMPANIES:

Your Company has prepared the Audited Consolidated Financial Statements in accordance with Section 129(3) of the Act read with the applicable Accounting

Standards and Listing Regulations. As required under the Accounting Standards, issued by the Institute of Chartered Accountants of India ('ICAI') and applicable provisions of the Listing Regulations, the Audited Consolidated Financial Statements of the Company reflecting the Consolidation of the Accounts of its subsidiaries are included in this Annual Report. Further, a statement containing the salient features of the financial statements of subsidiaries pursuant to sub-section 3 of Section 129 of the Companies Act, 2013 ('the Act') in the prescribed **form AOC-1** is appended to this Board Report as Annexure – 1A.

In accordance with Section 136 of the Act, the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of the subsidiaries are available on the website of the Company viz. <https://www.esc.co.in>.

As on March 31, 2025, the Company has no Material Subsidiary. The Policy for determining Material Subsidiaries is available on the Company's website viz. <https://www.esc.co.in>.

17. Registered Office and other Offices of the Company

The registered office of the Company is located at D – 147, Okhla Industrial Area, Phase – 1, New Delhi, India – 110020. This address serves as the official correspondence point and the principal place of business for regulatory and statutory purposes. The Company's registered office is equipped to handle all administrative, legal, and statutory communications and is maintained in compliance with applicable laws and regulations.

In addition to the registered office, the Company have other operational locations in Delhi to facilitate its business activities such as Stores and Warehouses. Details of such offices are maintained separately and are available for inspection upon request. The Company remains committed to ensuring that its registered and operational offices are adequately staffed and equipped to support its ongoing business operations efficiently and effectively.

18. Registrar and Share Transfer Agent

The Company has appointed M/s Skyline Financial Services Private Limited as its Registrar and Share Transfer Agent (RTA & STA) to efficiently manage shareholder services and share transfer activities. M/s Skyline Financial Services Private Limited, registered with SEBI under Registration No. INR000003241, is responsible for maintaining the register of members, processing share transfers, and providing support and services related to shareholding and shareholder communications.

The registered office of M/s Skyline Financial Services Private Limited is located at D-153/A, 1st Floor, Phase I, Okhla Industrial Area, New Delhi, Delhi – 110020. The appointment of the RTA & STA ensures that the Company's share-related activities are executed accurately, transparently, and in compliance with regulatory requirements, thereby facilitating smooth investor relations and efficient transfer of shares.

19. Public Deposits

During the financial year 2024-25, the Company did not accept or renew any deposits from the public or members, in accordance with the provisions of Section 73 of the Companies Act, 2013, read with Chapter V of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Consequently, as of the date of the

Balance Sheet, there were no outstanding amounts, either principal or interest, payable to the public or members in respect of any deposits. The Company continues to ensure compliance with applicable regulations governing public deposits and maintains transparency in its financial dealings.

20. Directors and Key Managerial Personnels

The Board of the Company is a balanced one with an optimum mix of Executive and Non-Executive Directors and comprises of Six (06) Directors; Three Executive Director, Three Non-Executive Independent Directors, one of whom is a women Independent Director. They show active participation at the board and committee meetings, which enhances the transparency and adds value to their decision making.

As on the date of this report, the Board of the company constitutes of the following directors:

Sr. No.	Name of Directors	DIN/PAN	Designation
1.	Mr. Santosh Kumar Agrawal	00493749	Managing Director
2.	Mr. Sunil Kumar Agrawal	00493820	Whole Time Director
3.	Mr. Vineet Agrawal	09603245	Whole Time Director
4.	Mrs. Ashi Jain	10342573	Non-Executive Women Independent Director
5.	Mr. Mukesh Chand Jain	00101601	Non-Executive Independent Director
6.	Mr. Manoj Chugh	02640995	Non-Executive Independent Director

As on the date of this report, the company constitutes of the following KMPs:

Sr. No.	Name of KMP	Designation
1.	Mr. Keshav Pareek	Chief Financial Officer (CFO)
2.	Mr. Rajnish Pandey	Company Secretary & Compliance Officer

During the year under review and as on date of this report the following officials were appointed/resigned or redesignated:

Sr. No.	Name of Director/ KMP	Designation	Appointment/ Resignation/ Redesignation	Date of Appointment/ Resignation / Redesignation/ Re-appointment
1.	Mr. Himanshu Purohit	Chief Financial Officer	Resignation	10 th June 2024
2.	Mr. Keshav Pareek	Chief Financial Officer	Appointment	26 th July 2024
3.	Mr. Gaurav Gupta	Non-Executive Independent Director	Resignation	24 th March 2025
4.	Mr. Manoj Chugh	Non-Executive Independent Director	Appointment	10 th January 2025
5.	Mr. Manoj Chugh	Non-Executive Independent Director	Redesignation	3 rd February 2025

Director retiring by rotation:

In terms of the provisions of the Companies Act, 2013, Mr. Santosh Kumar Agrawal (DIN: 00493749), Managing Director of the Company, retires at the ensuing AGM and being eligible, seeks re-appointment. The necessary resolution for re-appointment of Mr. Santosh Kumar Agrawal forms part of the Notice convening the ensuing AGM. The profile and particulars of experience, attributes and skills that qualify Mr. Santosh Kumar Agrawal for Board membership is disclosed in the said Notice.

21. Number of Board Meetings:

In accordance with the provisions of the Companies Act, 2013, and the rules made thereunder, as well as in compliance with Secretarial Standard I issued by the Institute of Company Secretaries of India, the Company convened and held a total of **five (5) Board Meetings** during the financial year 2024-25. These meetings were conducted to facilitate strategic decision-making, review of the Company's performance, financial oversight, and other key governance matters, ensuring adherence to statutory and regulatory requirements.

The details of the Board Meetings held during the year are summarized as follows:

Sr. No.	Date of Board Meeting	Name of Directors						
		Mr. Santosh Kumar Agrawal	Mr. Sunil Kumar Agrawal	Mr. Vineet Agrawal	Mrs. Ashi Jain	Mr. Gaurav Gupta	Mr. Mukesh Chand Jain	Mr. Manoj Chugh
1.	29 th May 2024	✓	✓	✓	✓	✓	✓	NA
2.	26 th July 2024	✓	✓	✓	✓	✓	✓	NA
3.	14 th September 2024	✓	✓	✓	✓	✓	✓	NA
4.	14 th November 2024	✓	✓	✓	✓	✓	✓	NA
5.	10 th January 2025	✓	✓	✓	✓	NA	✓	✓

✓ - Present NA - Not Applicable

The meetings were scheduled with adequate notice to all directors, and the proceedings were conducted in accordance with the statutory requirements, ensuring that all decisions taken were properly documented and aligned with the best practices of corporate governance.

approve necessary resolutions, thereby ensuring compliance with statutory mandates and fostering good corporate governance practices.

22. Number of General Meetings:

During the financial year 2024-25, the Company convened a total of two (2) Extra Ordinary General Meetings (EGMs) in compliance with the provisions of the Companies Act, 2013, and the rules framed thereunder. These meetings were conducted to address specific urgent matters requiring shareholder approval outside the scope of the Annual General Meeting (AGM). All such meetings adhered strictly to the applicable statutory and regulatory requirements, including the Secretarial Standards issued by the Institute of Company Secretaries of India, ensuring transparency and proper governance.

The details of the Extra Ordinary General Meetings held during the year are as follows:

- 13th October 2024
- 3rd February 2025

Additionally, the Company's last Annual General Meeting (AGM) for the financial year 2023-24 was held on **30th August 2024**. Due to prevailing circumstances and in line with regulatory relaxations, the AGM was conducted via Video Conferencing and Other Audio Visual Means (VC/AVM), which was deemed to be held at the Registered Office of the Company as per the provisions of the Companies Act, 2013. The AGM provided a platform for shareholders to participate actively, review the Company's performance, and

23. Details of Committees of the Board:

The Board of Directors has constituted and currently maintains five (5) key committees to oversee various aspects of the Company's governance, compliance, and operational functions. These committees are established in accordance with the applicable provisions of the Companies Act, 2013, the Rules thereunder, and the Listing Regulations, ensuring adherence to best practices and statutory requirements.

The committees are as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- General Business Committee
- Internal Complaints Committee Under POSH.

The composition of each committee comprises directors and, where applicable, other qualified individuals, with specific attention to independence, expertise, and diversity. All committees operate in strict compliance with the relevant statutory and regulatory provisions, including the applicable listing obligations.

The terms of reference for each committee are determined by the Board and are periodically reviewed to ensure their continued relevance and effectiveness. The committees meet at scheduled intervals, with the Chairperson responsible for convening and moderating the meetings. The proceedings and decisions are documented through detailed minutes, which are

circulated to all committee members and subsequently placed before the Board for review and approval.

The Board exercises oversight of the committees' activities by reviewing their minutes and reports. It remains responsible for ensuring that the committees' actions are aligned with the Company's governance standards and strategic objectives. The minutes of all committee meetings are meticulously maintained and shared with relevant stakeholders, including individual committee members and the full Board, to facilitate transparency and accountability.

This structured committee framework enables the Company to maintain robust governance practices, ensure compliance with statutory obligations, and promote transparency and accountability in all operational matters.

Following are the details of the Committees of the Board of Directors;

A. Audit Committee

In accordance with Section 177 of the Companies Act, 2013, along with other applicable provisions, and in compliance with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, as well as the applicable clauses of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has duly constituted an Audit Committee. The formation of the Committee was approved through a resolution passed by the Board of Directors on 2nd November 2023. The Committee was subsequently reconstituted with effect from 10th January 2025, to align with the evolving governance requirements.

The detail of the composition of the Audit committee along with their meetings held/attended during the year under review is as follows:

Name of Director	Position	Attendance at the Committee Meeting held on			
		29 th May 2024	26 th July 2024	14 th November 2024	10 th January 2025
Mrs. Ashi Jain	Chairperson	☑	☑	☑	☑
Mr. Mukesh Chand Jain	Member	☑	☑	☑	☑
Mr. Santosh Kumar Agrawal	Member	☑	☑	☑	☑
Mr. Manoj Chugh*	Member	NA	NA	NA	NA

☑ - Present NA - Not Applicable

*Mr. Manoj Chugh designated as member of the Audit Committee with effect from 10th January 2025 as per the Resolution passed by the Board of Directors of the Company in their meeting held on the same date.

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries, if any.

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board in accordance with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and the Companies Act, 2013 or any other power and responsibilities as may be designated by the board of directors from time to time.

B. Nomination and Remuneration Committee

Our Company has constituted Nomination and Remuneration Committee in terms of Section 178, Schedule V and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines, in the meeting of the Board of Directors held on 2nd November 2023.

The Committee was subsequently reconstituted with effect from 10th January 2025, to align with the evolving governance requirements.

The functions of the Committee are as per the provisions of the Companies Act, 2013 besides others which may be delegated to it by the Board.

The detail of the composition of the Nomination Remuneration committee along with their meetings held/ attended is as follows:

Name of Director	Position	Attendance at the Committee Meeting held on		
		26-07-2024	10-01-2025	17-03-2025
Mr. Gaurav Gupta*	Chairperson	✓	✓	--
Mrs. Ashi Jain	Member	✓	✓	✓
Mr. Mukesh Chand Jain	Member	✓	✓	✓
Mr. Manoj Chugh**	Chairperson/ Member	--	--	✓

✓ - Present

**Mr. Gaurav Gupta tendered his resignation with effect from 24th March 2025 and ceased to be Chairperson/ member of the Committee with effect from the said date.

*Mr. Manoj Chugh designated as Chairperson and member of the Nomination Remuneration Committee with effect from 10th January 2025 as per the Resolution passed by the Board of Directors of the Company in their meeting held on the same date.

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

C. Stakeholders Relationship Committee

Our Company has constituted the Stakeholders Relationship Committee in terms of Section 178 sub section (5) and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting of Board of Directors dated 2nd November 2023.

The Committee was subsequently reconstituted with effect from 10th January 2025, to align with the evolving governance requirements.

The detail of the composition of the Stakeholders Relationship committee along with their meetings held/ attended is as follows:

Name of Director	Position	Attendance at the
		Committee Meeting held on 17-03-2025
Mr. Mukesh Chand Jain	Chairperson	✓
Mr. Manoj Chugh	Member	✓
Mr. Santosh Kumar Agrawal	Member	✓
Mr. Sunil Kumar Agrawal	Member	✓

The Company Secretary of the Company shall act as a Secretary to the Stakeholders Relationship Committee.

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company, is enclosed as Annexure-II and forms an integral part of this report.

Extract of the policy are available on the Company's website www.esc.co.in.

24. Policy on Directors' appointment and remuneration

The Nomination and Remuneration Committee is entrusted with the responsibility of identifying and ascertaining the integrity, qualification, expertise, and experience of the person for appointment as Director, KMP or at Senior Management level and recommending their appointment for the consideration of the Board.

The Company has drawn up Nomination and Remuneration policy in line with the requirement of Section 178 of the Companies Act, 2013. The Policy inter alia provides that a person should possess adequate qualification, expertise, and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

25. Vigil Mechanism / Whistle Blower Policy

Section 177(9) of the Companies Act, 2013 mandates every listed company to constitute a vigil mechanism. Similarly, Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, laid down to establish a mechanism called the "Whistleblower Policy" for directors and employees to report concerns of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct.

The Company has a Vigil Mechanism cum Whistle Blower Policy ('Vigil Mechanism') in place. The Vigil Mechanism is a system for providing a tool to

the employees of the Company to report violation of personnel policies of the Company, unethical behaviour, suspected or actual fraud, violation of code of conduct. The Company is committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization. The Policy provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Board of Directors affirm and confirm that no employee of the Company has been denied access to the Committee.

Below is report under vigil mechanism during the financial year 2024-2025:

Particular of Complaints	No of Complaints
No. of Complaint carried forward as on March 31, 2024	0
No. of Complaint receiving during FY 2024-2025	0
No. of complaints at the end of financial year 2024-2025	0

Details of the Vigil Mechanism are available on the Company's website www.esc.co.in.

26. Corporate Social Responsibility

The Company's CSR Policy and the initiatives undertaken during the year under review are summarized in the Annexure IVA attached to this Report, formatted as per the prescribed guidelines in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. The CSR Policy is also accessible on the Company's website at www.esc.co.in.

In compliance with Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended by the CSR Amendment Rules, 2021, the Company is exempt from constituting a separate CSR Committee, as the CSR expenditure obligation for the relevant year does not exceed ₹ 50 lakhs. Consequently, the Board has performed the functions typically undertaken by the CSR Committee, and as of the date of this report, the Company is not required to establish a CSR Committee.

27. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

Your Company has zero tolerance towards any action on the part of any of its officials, which may fall under the ambit of "Sexual Harassment" at workplace. Pursuant to the provisions of Section 21 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, Redressal) Act, 2013, the

Company formulated a Policy on Prevention of Sexual Harassment at Workplace. All employees (permanent, contractual, temporary, trainees, etc) are covered under this policy. An Internal Complaints Committee (ICC) was constituted which is responsible for redressal of complaints related to sexual harassment at the workplace.

Pursuant to the said Act, the details regarding the number of complaints received, disposed and pending during the FY 2024-25, pertaining to incidents under the above framework/ law are as follows:

Particulars	Numbers
Number of complaints pending at the beginning of the financial year	NIL
Number of complaints received during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints those remaining unresolved at the end of the financial year	NIL

28. Policy on Code of Conduct and Ethics

Being a SME listed Company exemption has been provided to the Company from formulating of Code of Conduct for Board of Directors and Senior Management Personnel.

However, Board of Directors has formulated and adopted Code of Business Conduct Ethics for Director & Senior Management Executive policy. As an organization your Company places a great importance in the way business is conducted and the way each employee performs his/her duties. Your Company encourages transparency in all its operations, responsibility for delivery of results, accountability for the outcomes of our actions, participation in ethical business practices and being responsive to the needs of our people and society.

Towards this end, your Company has laid down a Code of conduct applicable to all the employees of your Company and conducted various awareness sessions across the Company. The Code provides for the matters related to governance, compliance, ethics and other matters. In this regard certificate from Managing Director as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board.

The said policy is attached herewith as Annexure – VIII.

29. Auditors

a) Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory

modifications or re-enactments thereof), /s. Goel Mintri & Associates, Chartered Accountants (Firm Registration No. 006569C), were appointed as the Statutory Auditors of the Company at the Annual General Meeting held in FY 2024. Their appointment is for a term of five (5) years, ending with the conclusion of the Annual General Meeting to be held in 2029.

The Independent Auditors' Report for the fiscal year 2025, issued by the statutory auditors, does not contain any qualification, reservation, or adverse remark. The full Independent Auditors' Report is included in this Annual Report.

b) Internal Auditors

In accordance with the provisions of Section 138(1) of the Companies Act, 2013, the Company has appointed M/s. Arora Rahul & Co., Chartered Accountants, as the Internal Auditors for the financial year 2025-26. This appointment was approved by the Board of Directors at its meeting held on 28th May 2025. The Internal Audit function is integral to ensuring robust internal controls and operational efficiency.

c) Cost Auditors

The Company is not required to maintain cost records or appoint Cost Auditors, as it does not fall within the scope of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014. Consequently, no cost audit was conducted for the financial year under review.

30. Secretarial Auditors:

In accordance with Section 204 of the Companies Act, 2013, and the Rules framed thereunder, **M/S Ragini Agrawal & Associates, Practicing Company Secretaries** was appointed as the Secretarial Auditor of the Company for the financial year 2024-25. The Secretarial Audit Report issued by her for the aforementioned period is appended to this report as ANNEXURE-VI. The report for the year ended 31st March 2025 is issued without any qualifications, reservations, or adverse remarks.

Further, the Board of Directors, at its meeting held on 9th May 2025, subject to the approval of the shareholders, approved the appointment of Ms. Ragini Agrawal as the Secretarial Auditor for a term of five consecutive years, commencing from the financial year 2025-26 up to and including the financial year 2029-2030. The remuneration for this appointment shall be determined mutually and fixed by the Managing Director or Whole-Time Directors of the Company in consultation with the Audit Committee, as may be revised from time to time. This proposal is included in the notice of the forthcoming Annual General Meeting.

31. Employees' Stock Option Plan:

During the financial year under review, Esconet Technologies Limited did not grant any stock options to its employees.

The Company recognizes the strategic importance of employee stock option plans (ESOPs) as a valuable component of its broader talent acquisition and retention framework, designed to align employee interests with long-term shareholder value. After a thorough review of prevailing market conditions, organizational priorities, and regulatory considerations, the decision was taken not to implement or issue stock options during this period.

Esconet Technologies Limited remains committed to periodically evaluating the potential for introducing or expanding its stock option programs as part of its comprehensive remuneration policy. The Company aims to leverage such incentives to attract, motivate, and retain high-Caliber talent, thereby supporting its strategic growth objectives. It will continue to review and refine its compensation strategies to ensure they remain competitive and aligned with the Company's long-term vision and stakeholder expectations.

32. Secretarial Standards

Esconet Technologies Limited is dedicated to upholding the highest standards of corporate governance and compliance. In alignment with this commitment, the Company has adhered to all applicable Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and approved by the Central Government pursuant to Section 118(10) of the Companies Act, 2013, for the financial year 2024-25.

We recognize and appreciate the vital role played by ICSI in promoting excellence in corporate governance and commend their efforts in establishing these standards. These Secretarial Standards provide a comprehensive framework of guidelines and best practices designed to enhance transparency, accountability, and consistency in corporate operations and governance. Ensuring compliance with these standards is fundamental to fostering trust, integrity, and good governance within our corporate processes and practices.

33. MD & CFO Certification

In compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director (MD) and Chief Financial Officer (CFO) of Esconet Technologies Limited have provided a comprehensive certification to the Board of Directors for the financial year 2024-25.

This certification encompasses a detailed affirmation regarding the accuracy and completeness of the Company's financial statements and addresses other key matters as specified under the said regulations.

The certificate received is attached herewith as per Annexure-VII.

34. Adequacy of Internal Financial Controls with reference to the Financial Statements

The Company maintains a robust, independent, and multidisciplinary Internal Audit team that operates in accordance with governance best practices. This team conducts regular reviews and reports to management and the Audit Committee on compliance with internal controls, operational efficiency, effectiveness, and key process risks.

The Board has implemented comprehensive policies and procedures to ensure the orderly and efficient conduct of business activities. These include adherence to the Company's policies, safeguarding assets, preventing and detecting fraud and errors, ensuring the accuracy and completeness of accounting records, and facilitating the timely preparation of reliable financial disclosures.

The Company has successfully established a framework of internal financial controls and has actively monitored its effectiveness. Esconet operates under a well-defined delegation of authority with specified approval limits for revenue and expenditure. Additionally, the Company has clear processes for formulating and reviewing long-term strategic and operational plans. Esconet remains committed to continuously aligning its processes and controls with industry best practices.

35. Annual Evaluation of Board Performance

In accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance of the Chairman and Non-Independent Directors was assessed by the Independent Directors during their separate meeting held on 17th March 2025. This assessment also encompassed a review of the overall performance of the Board.

The Nomination and Remuneration Committee has established the criteria and procedure for the performance evaluation of the Board of Directors. The evaluation process considered various dimensions of Board effectiveness, including, but not limited to, the fulfilment of key responsibilities, Board structure and composition, the efficacy of Board processes, quality of information provided, and overall functioning.

Individual Directors were assessed based on their attendance, active contribution during Board and

Committee meetings, and their support and guidance to management outside formal meetings.

Furthermore, the Chairman's performance was appraised, focusing on critical aspects such as setting the strategic direction of the Board and fostering active engagement among Board members. The assessment of Independent Directors was conducted collectively by the entire Board to ensure a comprehensive and unbiased evaluation.

36. Disclosure pursuant to Sections 184(1) and 164(2) of the Companies Act, 2013

The Company has obtained the requisite disclosures in Form DIR-8 and MBP-1 from its Directors upon their appointment or reappointment. Upon review, the Company confirms that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013. This affirmation is made in accordance with the requirements of Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and is included in this report.

37. Certificate of Practicing Company Secretary

The Company has obtained a certificate from Mr. Ragini Agrawal, Proprietor of M/s Ragini Agrawal & Associates, Practicing Company Secretary, Noida stating that none of the Directors on the Board of the Company have been debarred/ disqualified from being appointed /continuing as Directors of any company, by the SEBI and Ministry of Corporate Affairs or any such Statutory authority.

The said certificate is annexed with this annual report as Annexure-V.

38. Particulars of Loans, Guarantees and Investments

The details of loans and investments, as required under Section 186 of the Companies Act, 2013, read in conjunction with the Companies (Meeting of Board and its Powers) Rules, 2014, are included in the notes to the Financial Statements. During the year under review, the Company did not provide any guarantees.

39. Declaration of Independent Directors:

The Company has received declarations from all Independent Directors affirming that they meet the criteria of independence as outlined in Section 149(6) of the Companies Act, 2013. There have been no changes in the circumstances that could affect their status as Independent Directors during the reporting period.

The terms and conditions of appointment for the Independent Directors are in accordance with Schedule IV of the Act. Additionally, pursuant to

Section 150 of the Companies Act, 2013, read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA), Manesar.

The Board is of the opinion that the Independent Directors possess the necessary integrity, experience, expertise, and proficiency required under applicable laws to effectively discharge their responsibilities.

40. Meeting Of Independent Directors:

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.

No sitting fee is paid to the Independent Directors for the said meeting

During the year under review, one Meeting of the Independent Directors was held on 17th March 2025 for the F. Y. 2024-25 to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, considering the views of the Executive and Non- Executive directors.
- Evaluation of the quality, content, and timeliness of flow of information between the management and the board that is necessary for the board to perform its duties effectively and reasonably.
- Review the mechanism of safeguard the interests of all Stakeholders.

41. Criteria of making payments to Non-executive Directors including all pecuniary relationship or transactions of Non-executive Directors

The Independent Directors are not paid any remuneration other than the sitting fee for attending meetings of the Board and the Committees thereof as approved by the Board.

During the financial year under review, there have been no other pecuniary relationships, transactions, or financial dealings between the Non-Executive Directors (including Independent Directors) and the Company, apart from the sitting fees paid to them for their attendance at Board and Committee meetings. The Company ensures that such relationships, if any,

are maintained within the parameters of independence and do not influence the Directors' objectivity and independence in performing their duties.

42. Directors Responsibility Statement

The Board of Directors of the Company confirms:

- a) that in the preparation of the annual accounts for the year ended 31st March 2025 the applicable Accounting Standards have been followed.
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- c) that the Directors have 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.
- d) That the Directors have prepared the annual accounts for the year ended 31st March 2025 on a 'going concern' basis.
- e) that the Directors have laid down internal financial control and that such internal financial control are adequate.
- f) that the Directors have devised proper system to ensure compliance with the Provisions of all applicable laws.

43. Disclosures Relating to Remuneration of Directors, Key Managerial Personnel and Particulars of Employees

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ Employees of your Company is appended in Annexure II forming part of this Report.

In accordance with provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in the annexure to this report.

44. Means of Communication

The Company regularly communicates key information, including the Half-Yearly and Annual Financial Results, press releases, and presentations on significant developments, to the Stock Exchanges for uploading

on their websites and for dissemination to Members. Additionally, these updates are made accessible to Institutional Investors and Analysts, where applicable, and are also hosted on the Company's official website at www.esc.co.in. In accordance with Regulation 47(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement to publish Half-Yearly and Annual Financial Results in English and Hindi newspapers is not applicable to the Company; therefore, such results have not been published in any newspapers.

Furthermore, the Company disseminates all relevant reports and disclosures—including financial results, shareholding patterns, and other statutory reports—electronically through the NSE website at www.nseindia.com to ensure transparency and timely information sharing.

45. Business Responsibility & Sustainability Report

Esconet Technologies Limited is dedicated to maintaining high standards of business responsibility and sustainability. Although the regulatory requirements for the Business Responsibility and Sustainability Report (BRSR), as outlined under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to our company for the financial year 2024-25, we acknowledge the importance of transparency in environmental, social, and governance (ESG) practices.

While the submission of the BRSR is currently not mandatory, we are actively considering the advantages of voluntarily incorporating such a report in the future. This initiative aligns with our long-term strategy to strengthen our ESG disclosures, promote transparency, and demonstrate our commitment to responsible business practices.

46. Annual Return

Pursuant to Notification dated August 28, 2020, issued by the Ministry of Corporate Affairs as published in the Gazette of India on 28th August 2020, the details forming part of the extract of Annual Return in Form MGT-9 is not required to be annexed herewith to this report.

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return in E-form MGT-7 shall be available at website of the Company at www.esc.co.in.

In pursuance of the Companies (Management and Administration) Second Amendment Rules, 2023, the Board of Directors of the Company have appointed Chief Financial Officer & Company Secretary

as the Designated Person for compliance under the said Rules.

47. Disclosure of Particulars for Conservation of Energy, Technology Absorption, Foreign Exchange Earnings, and outgo

Information's as per the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is given in Annexure- III forming part of this Report.

48. Corporate Governance Report

Esconet Technologies Limited is committed to upholding the highest standards of corporate governance, ensuring adherence to principles of transparency, accountability, and integrity across all aspects of its operations. Our dedication to these principles underscores our commitment to acting in the best interests of our stakeholders and fostering sustainable growth. In accordance with Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the provisions of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46, as well as Paras C, D, and E of Schedule V, is not applicable to entities whose securities are listed on the SME Exchange. Accordingly, the requirement to file a Corporate Governance Report with the Stock Exchange does not pertain to Esconet Technologies Limited for the financial year 2024-25.

Since the Company's securities are listed on the EMERGE SME Platform of NSE, Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46, and Paras C, D, and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable. Consequently, the Corporate Governance Report does not form part of this Board's Report.

49. Management Discussion and Analysis Report

In compliance with the voluntary adoption of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis (MD&A) Report for the year under review has been prepared. Although this disclosure is not mandatorily required, the Company believes that providing a comprehensive MD&A enhances transparency and offers valuable insights into the Company's financial and operational performance, industry outlook, strategic initiatives, and future prospects.

The MD&A Report for the year under review is presented as a separate section and forms an integral part of this Annual Report. It is attached herewith as Annexure IV and should be read in conjunction with the financial statements and other disclosures contained herein.

50. Material Changes and Commitments during the Year under review, if any:

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year to which the financial statements relate i.e., March 31, 2025, and the date of this Report.

51. Other Disclosures and Reporting

Your directors further state that during the year under review:

- a. The Company has not accepted any deposits from the public or shareholders, thereby ensuring compliance with applicable deposit regulations and safeguarding shareholder interests.
- b. There have been no significant or material orders passed by any Regulators, Courts, or Tribunals that could adversely impact the Company's going concern status or its future operations.
- c. The Statutory Auditors' report is free from qualifications, reservations, adverse remarks, or disclaimers, indicating the auditors' unqualified opinion on the financial statements and affirming the integrity and transparency of the Company's financial reporting.

52. Details In Respect of Frauds Reported by Auditor

During the financial year under review, the Statutory Auditors, Internal Auditors, and Secretarial Auditors have not reported any instances of frauds involving officers or employees of the Company. Consequently, there are no such incidents to be disclosed in this report in accordance with Section 143(12) of the Companies Act, 2013.

53. Website:

In accordance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company maintains a functional official website at www.esc.co.in. The website serves as a comprehensive platform containing essential information about the Company, emphasizing transparency, accessibility, and stakeholder engagement.

Our digital presence extends beyond regulatory compliance; it embodies our commitment to fostering trust and providing stakeholders with easy access to relevant information. The website is designed to be intuitive and informative, offering insights into our operations, corporate values, financial performance, and strategic initiatives.

Additionally, we have prioritized the inclusion of detailed contact information for designated officials responsible for addressing investor grievances, ensuring timely and effective support. Regular updates are made to ensure the accuracy and currency of the information provided.

54. Significant And Material Orders Passed by The Regulators or Courts or Tribunals Impacting The going Concern Status of The Company:

We are pleased to inform that Esconet Technologies Limited has not been subject to any significant or material orders from regulators, courts, or tribunals during the reporting period that could adversely affect the company's ongoing operations or its ability to continue as a going concern. This positive affirmation underscores our strong compliance framework, adherence to regulatory requirements, and commitment to maintaining the highest standards of corporate governance and ethical business practices.

Our proactive approach to regulatory adherence and operational integrity has contributed to a stable legal environment, allowing us to focus on strategic growth and value creation for our stakeholders. We remain vigilant in monitoring any developments that may impact our business and are committed to addressing any issues promptly to safeguard the long-term sustainability of the company.

55. Human Resource & Employees Development

The Company recognizes that its employees constitute the cornerstone of its sustainable growth and are instrumental in driving its ongoing success. As a fundamental aspect of our strategic vision, we prioritize human resources management and consistently invest in the development of our human capital, focusing on enhancing skills, capabilities, and leadership qualities.

During the reporting period, the Company has maintained harmonious and cordial relations across all levels of the organization. We firmly believe that our employees are vital to increasing operational efficiency, profitability, and long-term stability. The Company's strength lies in effectively harnessing its workforce to achieve sustained growth across all spheres of business. In line with our commitment to employee well-being, we provide comprehensive

health insurance coverage for all employees and their families, ensuring their health and security.

The Company believes that for sustained success, every employee must not only possess the requisite competence and capabilities but also embody contemporary, value-driven principles that enable them to adapt constructively to change. To this end, we are committed to creating a supportive and conducive work environment that encourages individual growth, fosters creativity, and promotes active participation in organizational development. Ultimately, we believe that the quality of our workforce directly correlates with the organization's overall success. Throughout the year, employee relations remained positive, fostering a peaceful and collaborative work environment. We remain dedicated to nurturing our human resources as a vital asset for the future, aligned with our vision of building a resilient, innovative, and high-performing organization.

56. Particulars of Employees and Related Disclosures

In accordance with Section 134 (2) read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, this report is being sent to all the shareholders of the Company, excluding the details of employees who were in receipt of remuneration of not less than Rupees 102 lakh during the year ended March 31, 2025 or not less than Rupees 8.5 lakh per month during any part of the said year. As there were no employees receiving the remuneration in excess to the mentioned above.

57. Declaration Under Insolvency and Bankruptcy Code

We are pleased to share with our valued stakeholders that during the year under review, Esconet Technologies Limited has not made any applications nor had any proceedings pending under the Insolvency and Bankruptcy Code, 2016.

58. Environment & Safety Measures

The Company will continue taking all the necessary measures to maintain high standards of Environment, Cleanliness and Green Belt, Water Harvesting, Pollution Control, Health and Safety Precautions.

59. Declaration Regarding Settlement with Banks/Financial Institutions

During the year under review there was no instance of onetime settlement with any Bank or Financial Institution. Accordingly, disclosure relating to the detail of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable to the Company.

60. Cautionary Statement

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

61. Acknowledgement:

Your directors wish to place on record their appreciation and sincere thanks to the Customers, Business Partners, Government and all statutory authorities for their unwavering support and co-operation. Your directors, also acknowledge the hard work, dedication, and Commitment of the employees and place on record the appreciation of the dedication and hard work contributed by employees, individually and collectively, in the overall progress of the Company during the last year.

For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-

Santosh Kumar Agrawal

Chairman & Managing Director
(DIN: 00493749)

Date: 01.08.2025

Place: New Delhi

Sd/-

Sunil Kumar Agrawal

Whole time Director
(DIN: 00493820)

ANNEXURE-I

Related Parties Transactions

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 transactions under third proviso thereto.

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

- Name(s) of the related party and nature of relationship
- Nature of contracts/arrangements/transactions
- Duration of the contracts / arrangements/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Justification for entering into such contracts or arrangements or transactions
- Date(s) of approval by the Board
- Amount paid as advances, if any
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

2. Details of material contracts or arrangement or transactions at arm's length basis with Related Parties

- Name(s) of the related party and nature of relationship:

No.	Name	Relationship
1.	Mr. Santosh Kumar Agrawal	Director
2.	Mr. Sunil Kumar Agarwal	Director
3.	Zeacloud Services Private Limited	Wholly Owned Subsidiary
4.	Esconet Singapore Pte. Ltd	Wholly Owned Subsidiary

- Nature of contracts/arrangements/transactions:

No.	Name	Nature	Amount
1.	Mr. Santosh Kumar Agrawal	Remuneration	43,20,000/-
		Repayment of Loan	1,37,82,094/-
		Interest Paid	4,60,000/-
		Rent Paid	54,00,000/-
2.	Mr. Sunil Kumar Agarwal	Remuneration	43,20,000/-
		Repayment of Loan	22,15,865/-
		Interest Paid	88,000/-
3.	Zeacloud Services Private Limited	Sale	5,12,25,342/-

- Duration of the contracts / arrangements/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Amount paid as advances, if any

For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-
Santosh Kumar Agrawal
Chairman & Managing Director
(DIN: 00493749)
Date: 01.08.2025

Sd/-
Sunil Kumar Agrawal
Whole time Director
(DIN: 00493820)
Place: New Delhi

ANNEXURE-IA**Form No. AOC-1****STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF
SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES**(Pursuant to first proviso to sub-section (3) of section 129 read with
rule 5 of the Companies (Accounts) Rules, 2014)**PART "A": SUBSIDIARIES**

(all figures are in INR)

Sl. No.	Particulars	ZeaCloud Services Private Limited	Esconet Singapore Pte. Ltd
1.	The date when subsidiary was acquired	5 th September 2023	17th September 2024
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Financial Year ended 31 st March 2025	Financial Year ended 31 st March 2025
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	SGD
4.	Share capital	37,00,000/-	10,000/-
5.	Reserves and surplus	6,21,35,020/-	--
6.	Total assets	9,68,51,026/-	--
7.	Total Liabilities	9,68,51,026/-	--
8.	Investments	--	--
9.	Turnover	5,25,13,242/-	--
10.	Profit before taxation	1,49,34,158/-	--
11.	Provision for taxation	30,38,980/-	--
12.	Profit after taxation	1,10,82,081/-	--
13.	Proposed Dividend	--	--
14.	Extent of shareholding (in percentage)	100 %	100%

Additional information to be furnished

- Names of subsidiaries which are yet to commence operations - **NA**
- Names of subsidiaries which have been liquidated or sold during the year - **NA**

PART "B": ASSOCIATES AND JOINT VENTURESAs on 31st March 2025 there were no Associates and Joint Ventures for the Company hence this part of the AOC – 1 is Not Applicable to the Company.For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-

Santosh Kumar AgrawalChairman & Managing Director
(DIN: 00493749)

Date: 01.08.2025

Place: New Delhi

Sd/-

Sunil Kumar AgrawalWhole time Director
(DIN: 00493820)

ANNEXURE-II

Managerial Remuneration

Information as required under Section 124 & 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Remuneration disclosures of the Directors and Key Managerial Personnel employees as per Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name of Director	Total Remuneration (In INR in FY 2024-25)	Ratio of remuneration of director to the Median remuneration
Mr. Santosh Kumar Agrawal	43,20,000	3.84
Mr. Sunil Kumar Agrawal	43,20,000	3.84
Mr. Vineet Agrawal	1,80,000	0.12
Mr. Gaurav Gupta*	90,000	0.14
Mrs. Ashi Jain	1,82,000	0.30
Mr. Mukesh Chand Jain	2,12,000	0.13
Mr. Manoj Chugh	60,000	--

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2024-2025.
- The remuneration paid to Managing Director, Whole time Director includes salary, contribution to Provident Fund, Superannuation Fund, and Perquisites etc.
- The Non-executive Independent Directors are paid sitting fees for attending Board Meeting/ Audit Committee Meeting/ Stakeholders Relationship Committee Meeting and Nomination & Remuneration Committee meeting.
- Mr. Gaurav Gupta submitted his resignation from the position of non-executive Director of the Company with effect from 24th March 2025.

2. Details of percentage increase in the remuneration of each Director, CFO and Company Secretary in the financial year 2024-2025 are as follows:

Name	Designation	Remuneration (in INR)		Increase (%)
		2024-2025	2023-2024	
Mr. Santosh Kumar Agrawal	Managing Director	43,20,000	36,00,000	20 %
Mr. Sunil Kumar Agrawal	Whole Time Director	43,20,000	36,00,000	20 %
Mr. Vineet Agrawal	Whole Time Director	1,80,000	--	--
Mr. Gaurav Gupta	Independent Director	90,000	1,30,000	--
Mrs. Ashi Jain	Independent Director	1,82,000	2,90,000	--
Mr. Mukesh Chand Jain	Independent Director	2,12,000	2,20,000	--
Mr. Manoj Chugh	Independent Director	60,000	--	--
Mr. Keshav Pareek	Chief Financial Officer	16,87,500	--	--
Mr. Rajnish Pandey	Company Secretary	9,68,000	2,91,665*	35%

Notes:

- The remuneration paid to Directors includes sitting fees paid to them for the financial year 2024-2025 for attending Board Meeting/ Audit Committee Meeting/ Stakeholders Relationship Committee Meeting.
- Mr. Vineet Agrawal has not withdrawn any remuneration in previous years hence the percentage increase not calculated for him.
- The remuneration paid to Directors and as approved by the Shareholders and is within the overall limits as per the Companies Act, 2013 read with Schedules thereunder.

- d) The remuneration of the Non-Executive Independent Directors comprises of only sitting fees paid to them for attending the meetings of the Board and other committee meetings. Hence, the percentage increase of their remuneration has not been considered for the above purpose.
- e) Mr. Keshav Pareek was appointed with effect from July 2024 as Chief Financial Officer and has been withdrawing salary from that date. Hence his salary was paid for that period. The percentage increase/decrease cannot be calculated for the same.
- f) Mr. Rajnish Pandey was appointed with effect from November 2, 2023, as Company Secretary & Compliance Officer of the Company and has been withdrawing salary from that date. Hence his salary was paid for that period. The percentage increase/decrease has been calculated after annualising the same.

3. Percentage increase in the median remuneration of all employees in the financial year 2024-2025.

Particulars	2023-2024 (INR)	2024-2025 (INR)	Increase/ Decrease (%)
Median remuneration of all employees per annum	8,46,470/-	9,57,860/-	13.15%

4. Number of permanent employees on the rolls of the Company as on March 31, 2025.

Total Number of Employees on pay roll as on financial year ended March 31, 2025, is **[60]**.

Total Number of Employees on pay roll as on financial year ended March 31, 2024, was **[47]**.

5. Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the Key managerial remuneration:

Particulars	2023-2024 (INR)	2024-2025 (INR)	Increase/ Decrease (%)
Average salary of all employees (other than Key Managerial Personnel)	9,90,845/-	8,82,580/-	-10%
(Decrease due to increase no of employees as compared to Previous Year)			
Average salary of Key Managerial Personnel (for CS and CFO)	4,25,332/-*	13,27,250/-	--

* The average salary for the Key Managerial Personnel (KMPs) for the financial year 2023-24 has been reported based on the period during which the KMPs were employed. Please note that this figure is not annualized for the entire year.

6. Affirmation:

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 the Company and Section 197 read with Schedule V of the Companies Act, 2013.

For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-
Santosh Kumar Agrawal
Chairman & Managing Director
(DIN: 00493749)

Date: 01.08.2025
Place: New Delhi

Sd/-
Sunil Kumar Agrawal
Whole time Director
(DIN: 00493820)

ANNEXURE-III

Conservation of Energy & Technology Absorption

(Information pursuant to the Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014 and forming part of the Director's Report to the Members for the year ended March 31, 2025.)

PARTICULARS	REMARKS
Conservation Of Energy	
The steps taken or impact on Conservation of energy	The operations of your company are increasing at better speed. The company has however, taken adequate measures to conserve energy consumption. The impact of these efforts has enhanced energy efficiency.
Process optimization and automation	
Optimization of Electrical Equipment	
Lighting	
Other Key initiatives for Energy conservation	As energy cost forms a very small part of total expenses, the financial impact of these measures is not material and hence not measured.
The steps taken by the Company for utilizing alternate sources of energy	
The Capital Investment on energy conservation equipment	
Technology Absorption	
The efforts made by the Company towards technology Absorption	The Company has no activity relating to technology absorption.
The benefits derived like product improvement, cost reduction, product development or import substitution	The Company has not imported any specific technology during the year
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
The expenditure incurred on Research and Development	
Foreign Exchange Earnings and Outgo	Foreign exchange earnings during the year – 1,26,09,970/-
	Foreign exchange outgo (expenditure) during the year - 11,97,452/-

For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-
Santosh Kumar Agrawal
Chairman & Managing Director
(DIN: 00493749)

Date: 01.08.2025
Place: New Delhi

Sd/-
Sunil Kumar Agrawal
Whole time Director
(DIN: 00493820)

ANNEXURE-IV



Management Discussion & Analysis Report

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Management of Esconet Technologies Limited (ETL) is pleased to present the detailed Management Discussion and Analysis Report (MDAR) for the financial year ended March 31, 2025. This report aims to provide a comprehensive overview of the Company's operational performance, industry dynamics, macroeconomic environment, strategic initiatives, and outlook. It is intended to offer shareholders and stakeholders an insightful understanding of the Company's strategic direction, growth drivers, challenges, and future prospects.

In alignment with ETL's commitment to transparent governance and responsible corporate disclosure, the Company has **voluntarily adopted** this MDAR, while not mandated under the applicable regulations, this proactive

approach underscores ETL's dedication to fostering stakeholder confidence, facilitating informed decision-making, and reinforcing our reputation as a responsible corporate entity.

This report aims to provide a comprehensive analysis of the company's performance, industry dynamics, operational highlights, and future outlook. The outlook is based on an assessment of the current business environment and may vary due to future economic and other developments both in India and abroad.

It contains financial highlights but does not include the complete financial statements of the Company. This report should be read in conjunction with the Company's Audited Financial Statements for the year ended March 31, 2025.



Economic Overview

The Indian Information Technology sector continues to undergo a profound transformation, driven by rapid technological innovation, increasing digital adoption, and evolving enterprise needs. Cloud computing, data proliferation, artificial intelligence, cybersecurity, and automation are now central to the digital strategies of organizations across sectors. ETL operates at the nexus of these trends, leveraging its extensive expertise to deliver integrated, scalable, and future-ready IT solutions. As organizations seek to optimize operational efficiency and secure their digital assets, ETL's role as a trusted system integrator and solution provider becomes increasingly vital. The industry is also influenced by macroeconomic factors such as geopolitical developments, regulatory changes, and global supply chain dynamics, which present both challenges and opportunities for growth.

Global Economy ¹

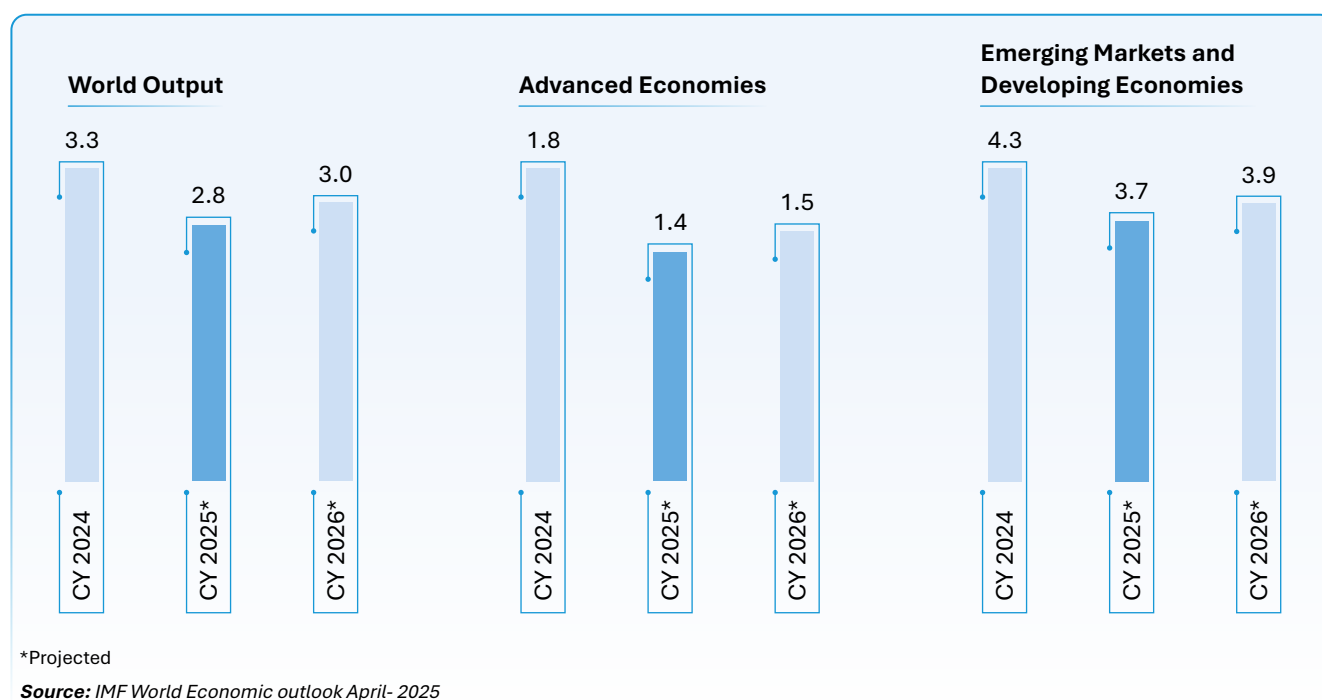
In Calendar Year (CY) 2024, the global economy registered a growth rate of 3.3%, indicating a steady recovery, despite persistent geopolitical uncertainties and volatility in financial markets. While shifting policies and geopolitical disruptions posed hurdles, major economies demonstrated adaptability, contributing to overall resilience and moderate growth.

Advanced economies recorded a growth rate of 1.8%, while Emerging Market and Developing Economies (EMDEs) expanded by 4.3%, driven largely by strong economic activity in Asia and Africa. The United States achieved 2.8% growth in CY 2024, primarily supported by robust domestic demand. In contrast, the Euro Area faced subdued growth, as muted domestic demand, weak consumer confidence and heightened economic uncertainty continued to dampen consumption.

Outlook ²:

The global economic outlook remains challenging, with several downside risks such as volatility in global trade, tariff impositions and policy uncertainties. Global economic growth is projected to moderate to 2.8% in CY 2025, with marginal improvement to 3% in CY 2026. EMDEs are expected to remain the primary growth drivers, with projected growth rates of 3.7% in CY 2025 and 3.9% in CY 2026, driven by domestic demand and investment momentum. In contrast, advanced economies are likely to experience slower growth of 1.4% in CY 2025 and 1.5% in CY 2026, constrained by tight monetary policies. A gradual rebalancing is anticipated in regions such as the Euro Area and the Middle East. To support sustained recovery, policymakers worldwide are placing emphasis on structural reforms, digital infrastructure and future-ready workforce development, particularly in the context of an emerging AI-led transformation.

Global Real GDP Growth Projection (%):



¹ <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

² <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

Indian Economy ³:

India recently emerged as the world's fourth largest economy, surpassing Japan and crossing the USD 4 trillion GDP milestone. In FY 2024-25, the economy recorded a strong growth rate of 6.5%, driven by strategic government initiatives and a sharp focus on infrastructure development. A capital expenditure allocation of ₹ 11.21 lakh crore highlighted the Government of India's commitment to strengthening rural connectivity and sustaining economic momentum.⁴ These efforts, guided by the Aatmanirbhar Bharat vision, have encouraged innovation, entrepreneurship and technological self-reliance. Flagship initiatives such as the Production Linked Incentive (PLI) schemes, MSME revitalisation and digital infrastructure expansion have positioned India on a high-growth trajectory, promoting the development of a digital and future-ready economy.

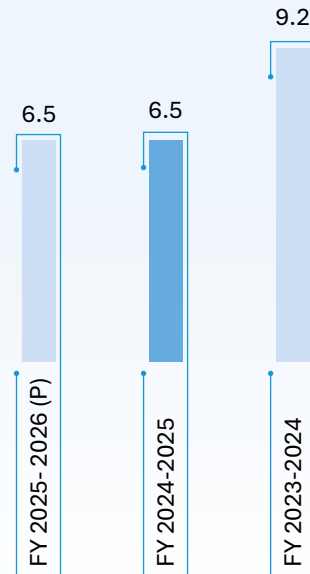
A structural transformation is underway, marked by enhanced transparency and improved ease of doing business. This shift is accompanied by rising long-term investment across critical sectors, including MSMEs, digital services and infrastructure. The services sector continues to be the primary driver of Gross Value Added (GVA), with its share increasing from 50.6% in FY14 to approximately 55% in FY25. It also remains to be a significant source of employment, engaging around 30% of the workforce. These developments collectively reflect India's enduring economic resilience and highlight its accelerating progress towards global leadership.

Outlook:

India's economy is projected to grow by 6.5% in FY 2025–26, driven by strong domestic demand, easing inflationary pressures and a steady employment scenario. These factors are expected to stimulate consumption, boost investment and drive activity in the services sector. Despite global headwinds including U.S. tariff uncertainties, supply chain shifts in critical sectors such as semiconductors and volatile capital flows, India remains well-positioned. Sustained policy support through tax incentives, infrastructure investment and regulatory reforms will be crucial to maintaining growth momentum. The RBI's 50 basis point repo rate cut to 5.50% aims to enhance liquidity, stimulate credit expansion and strengthen market confidence. Simultaneously, India's continued focus on bilateral trade agreements and the implementation of the Production Linked Incentive (PLI) scheme is expected to reinforce its position in the global services economy. These efforts align with the nation's long-term vision of achieving

developed country status by 2047, marking a crucial step in India's economic evolution.⁵

GDP growth trend in India:



(P)Projected

Source: MoSPI Second Advances Estimates



Industry Overview

Global IT Services Industry ⁶

The global IT services industry is experiencing strong growth, with the market size expected to reach USD 1.50 trillion in 2024. This expansion is fuelled by the widespread adoption of cloud computing, artificial intelligence, big data analytics and increased emphasis on cybersecurity and data management. North America, with its dynamic tech hubs and innovation-driven ecosystem, remains the largest market. Core service areas such as application management and operations and maintenance services are integral to ongoing digital transformation initiatives. Key sectors such as IT and telecom and retail are benefitting from advanced analytics and digital solutions to optimise business operations and enhance strategic decision-making.

The IT services industry is projected to continue its upward trajectory, with the market size anticipated to reach USD 1.61 trillion to USD 2.68 trillion in the coming years. This growth reflects ongoing demand for infrastructure modernisation, cloud-based services and advanced cybersecurity solutions.

³ <https://www.pib.gov.in/PressNoteDetails.aspx?NotelId=154660>

⁴ <https://www.pib.gov.in/PressReleaseSelfFramePage.aspx?PRID=2098353>

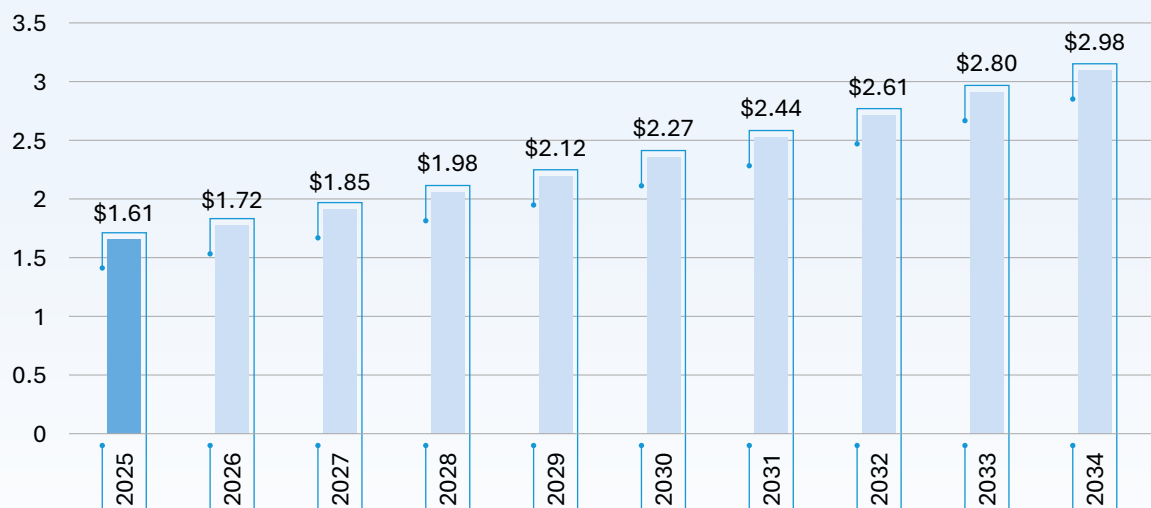
⁵ <https://www.pib.gov.in/PressNoteDetails.aspx?NotelId=154573&ModuleId=3>

⁶ <https://www.precedenceresearch.com/it-services-market>

Amid rapid technological advancements, the global IT services industry remains focused on addressing evolving customer needs and ensuring regulatory compliance. It is also prioritising the delivery of specialised, high-impact solutions tailored to specific industry requirements.

Global IT Services Market Size growth (In USD Trillion).

IT Services Market Size 2025 to 2034 (USD Trillion)



Source: <https://www.precedenceresearch.com/it-services-market>

Source: Precedence Research

Indian IT Services Industry

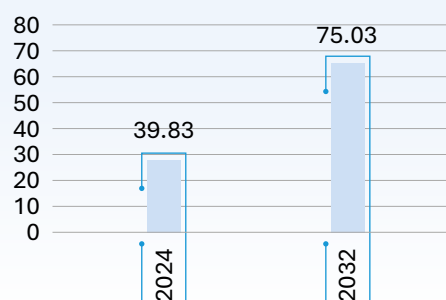
India holds a prominent position in the global IT services industry, consistently contributing to export growth and employment generation. In 2024, the Indian IT services market reached an estimated value of USD 39.83 Billion and is projected to grow USD 75.3 Billion in 2032, reflecting a projected Compound Annual Growth Rate (CAGR) of 7.3% from 2024-2032. The growth is supported by strong demand across both domestic and international markets.⁷ Key segments driving this expansion include system integration, managed services, Application Development and Maintenance (ADM) and cloud services. Among these, system integration represents the largest segment due to rising adoption of hybrid IT infrastructures and the need for seamless interconnectivity across enterprise systems. Furthermore, the accelerating adoption of automation, data analytics, cybersecurity and business process transformation are fuelling demand for next-generation IT solutions.

Major growth drivers include the Government of India's ongoing Digital India initiative, rising cloud adoption among SMEs and large enterprises and widespread deployment of AI-driven platforms across industries. Additionally, India's strong talent pool, cost competitiveness and strategic global partnerships reinforce its position as a leading IT services

hub. However, the industry faces several challenges such as evolving cybersecurity threats, digital skill gaps and increasingly complex global regulatory requirements.

Notwithstanding these challenges, the domestic IT services sector is expected to maintain strong momentum. Major growth drivers include heightened focus on digital transformation, expansion in remote infrastructure management and platform-based services. Cloud native development, AI and ML integration and automation will also be at the forefront of service innovation. High growth verticals such as BFSI, retail, healthcare and manufacturing will continue to generate demand. Meanwhile, investments in cybersecurity, data compliance frameworks and industry-specific ERP solutions are anticipated to increase.

Indian IT Service Industry Growth (In USD Billion)



⁷ <https://www.imarcgroup.com/india-it-services-market>



Company Overview

Esconet Technologies Limited is a leading Indian enterprise IT solutions provider, specialising in High-Performance Computing (HPC), cybersecurity, cloud infrastructure and data protection. The Company has steadily expanded its presence across the country and internationally, including the establishment of a subsidiary in Singapore. As an Original Equipment Manufacturer (OEM) listed on the Government e-Marketplace (GeM), the Company offers its proprietary HexaData product line and AI supercomputing systems tailored for complex workloads in both enterprise and public sector.

With sharper focus on innovation, Esconet is building a sovereign cloud platform, aligned with the Government of India's 'Make in India' vision. Through strategic collaborations with global technology leaders such as NVIDIA, Scality and CATO Networks, the Company delivers advanced, integrated solutions across data storage, networking and cybersecurity domains.

Esconet's capabilities are further strengthened through its wholly owned subsidiaries, Zeacloud Services Private Limited and Esconet Singapore Pte. Ltd. The recent majority acquisition of Fluidech IT Services Private Limited has further enhanced its expertise in cloud infrastructure and cybersecurity consulting. Backed by national-level accreditation from NCIIPC and customised compliance offerings such as SEBI's CSCRF package, the Company continues to strengthen its position as a reliable technology partner for both enterprise and government clients.

Opportunities and Challenges:



Opportunities

Regulatory Compliance and Security Consulting

The acquisition of Fluidech and its SEBI focused compliance positions the Company to tap into growing enterprise demand for cybersecurity consulting and regulatory compliance.

Strategic Technology Partnerships

Collaborations with global players such as Scality and CATO Networks strengthen Esconet's technology stack, enhancing product differentiation.

Rising Demand for Sovereign Cloud

Growing demand for sovereign cloud and indigenous infrastructure aligns with the Company's national positioning.

Government-Led Digital Transformation

The government's strong push for digital transformation, data localisation and public sector modernisation creates sustained demand for Esconet's IT infrastructure and cybersecurity offerings.

Public Sector Engagement via GeM and HPC

Enhanced traction from public and enterprise clients through GeM listings and HPC super-cluster projects boosts credibility.

International Expansion

Expansion into Southeast Asia diversifies revenue streams and lays the foundation for global growth.



Challenges

Macroeconomic Uncertainties

Macroeconomic volatility, policy shifts and potential election-related delays may impact project timelines and investment execution.

Margin Pressure

Large strategic deals and ongoing investments in skilled talent and infrastructure could exert pressure on profit margins.

Pace of Technological Change

Rapid technological advancements require continuous innovation, R&D investment and constant upskilling to stay ahead of the curve.

Intense Market Competition

The enterprise IT and cybersecurity space is highly competitive, with strong players, both domestically and globally, intensifying the need for differentiation and agility.

Segment-wise Performance

The Company operates exclusively within the Information Technology Services domain, offering a comprehensive suite of solutions such as system integration, cloud computing, data centre infrastructure, cybersecurity and enterprise IT services. These interrelated offerings contribute collectively to the Company's revenue and strategic growth, thereby constituting a single reportable business segment. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS-17 are not applicable to the Company.

Financial Overview:

The financial results for FY 2024-25 reflect significant growth and operational resilience across all key metrics:

Financial Highlights (Consolidated)

(Amount in ₹ Crores)

Particulars	FY 2024-25	FY 2023-24
Total Revenue	233.25	140.80
Operating Revenue	230.30	140.55
EBITDA	13.05	10.22
EBITDA Margin (%)	5.59	7.26
PBT	10.62	7.44
PAT	7.99	5.43
PAT Margin (%)	3.43	3.86
EPS (₹)	6.11	5.99

These results are driven by increased sales execution, higher product sales, strategic client relationships, and an expanding market footprint. The company's focus on quality, innovation, and operational efficiency has contributed significantly to these strong financial outcomes.

Financial Ratio:

Particulars	FY 24-25	FY 23-24	Variance (%)	Analysis and Reasons for Variance
Current Ratio	2.44	2.13	+14.45%	The increase in the current ratio is primarily attributable to a significant rise in current assets, driven by proceeds from the Initial Public Offering (IPO) conducted in the previous financial year, along with funds raised through the Preferential Allotment of Equity Shares and Convertible Warrants during the current year. This enhancement in liquidity position strengthens the company's short-term financial stability.
Debt Equity Ratio (in times)	0.01	0.06	-87.40%	The substantial reduction in the debt-equity ratio reflects the company's strategic repayment of existing debts concurrent with the issuance of new equity during the year. This shift indicates a move towards a more conservative leverage structure, supported by increased retained earnings resulting from improved profitability.
Debt Service Coverage Ratio	3.59	0.98	+265.84%	The notable improvement in this ratio signifies the company's enhanced capacity to meet its debt obligations, primarily driven by a significant increase in net operating income. This improvement underscores the company's strengthened cash flow position and effective debt management.
Return on Equity (in %)	0.11	0.26	-56.12%	Despite an increase in net profit on a year-over-year basis, the decline in ROE is primarily due to the issuance of additional shares during the year, which dilutes the earnings attributable to each equity share. This reflects the impact of equity dilution on overall return metrics.
Net Working Capital Turnover Ratio	3.49	3.83	-8.95%	The reduction in this ratio is mainly caused by an increase in current assets resulting from the Initial Public Offering (IPO) conducted in the previous financial year, along with the Preferential Allotment of Equity Shares and Convertible Warrants during the current year, which have temporarily impacted the efficiency of working capital utilization. Nevertheless, the company's liquidity position remains healthy.
Return on capital Employed (in %)	16.22	23.53	-7.31%	The decrease in ROCE is attributed to an increase in capital employed driven by IPO proceeds from Previous year and Preferential Allotment during the Year, which, while expanding the company's asset base, has slightly diluted the overall return percentage. The company's operational efficiency continues to be robust, as reflected in the high ROCE figures.

Outlook:

The Company is well-positioned for sustained growth, supported by a strong foundation of financial performance, strategic partnerships and technological advancements. Strategic investments including the acquisition of Fluidtech IT Services and collaborations with technology leaders such as Scalify and CATO Networks are expected to accelerate the Company's expansion in cybersecurity, High-Performance Computing (HPC) and data infrastructure solutions. The Company remains focused on expanding its client base, improving margins through differentiated offerings and driving innovation aligned with national priorities such as the 'Make in India' initiative and data sovereignty. With enhanced operational capacity, a growing workforce and a strong pipeline of AI and cloud-native products, the Company is well-positioned to capitalise on emerging opportunities across both public and enterprise sectors, in India and abroad.

Risk and Concerns :

Esconet maintains a comprehensive risk management framework to safeguard its operations and ensure long-term stakeholder interests. The Company systematically identifies, assesses and mitigates risks across critical areas such as operations, finance, regulatory compliance and cybersecurity. Recognising the dynamic nature of the IT industry, Esconet remains committed to upholding the highest standards of corporate governance and ensuring full compliance with government regulation.



Human Resources

Your Company believes that a good Human Resource Policies are very effective for supporting and building the desired organisation culture and to maintain the same our company taking actions on the day-to-day problems of the organization. The Company continues to focus on creating strong and long-term relationship with all employees as employee retention and development are among the highest priorities of the Company.

Human Capital remains a core driver of Esconet's strategic growth. In the past year, the Company recorded a 21% increase in headcount, reflecting expanding customer engagements and the growing demand for its specialised IT and cybersecurity services. Strategic hiring initiatives have supported technical capabilities, particularly in AI, cloud infrastructure and cybersecurity. Workforce expansion has been closely aligned with operational growth, including

infrastructure upgrades and geographical expansion across South India and overseas. The Company remains committed to encouraging a skilled and future-ready workforce to drive innovation, ensure service excellence and sustain long-term value creation.

The employee strength as on March 31, 2025, was 50 and 10 number of the contractors/ consultants to execute the assignment of the Company.

60+

Employees



Internal Control and System

The Company has put in place adequate systems of internal control. These have been designed to provide reasonable assurance with regard to maintaining proper accounting controls, efficiency of operations, protecting assets from unauthorised use or losses and ensuring reliability of financial and operational information. The Company continues its efforts to align all its processes and controls with best practices and is also controlling its operating processes through well-defined international standard certifications and accreditations. Some significant features of the internal control systems include the preparation and monitoring of annual budgets, internal audits and their reviews, clear delegation of authority and responsibility, corporate policies on accounting and periodic management meetings to review operations and plans in various business areas.

Cautionary Statement & Disclaimer:

- The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risk and uncertainties. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise. Estimation and expectation made in the Report may differ from actual performance due to various Economic conditions, Government Policies and other related factors.

- The management has tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance. The management cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The operations of the Company may be affected due to various reasons like changes in political and economic front of the country; fluctuations in exchange rate, tax laws, litigations, labour relations, interest costs and

overall scenario of the infrastructure sector. Hence, the achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should know or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-
Santosh Kumar Agrawal
Chairman & Managing Director
(DIN: 00493749)

Date: 01.08.2025
Place: New Delhi

Sd/-
Sunil Kumar Agrawal
Whole time Director
(DIN: 00493820)

ANNEXURE - IV-A

CSR Report for FY 2024-25

1. Brief outline on CSR Policy of the Company:

Esconet Technologies Limited is committed to upholding the principles of data privacy and security, serving as a trusted platform for data protection. Beyond this, we acknowledge our broader responsibility towards environmental sustainability and societal development. Our CSR efforts focus on areas such as education, healthcare, energy conservation, climate action, human rights, and environmental stewardship. We operate with integrity, transparency, and accountability to ensure that our initiatives create lasting impact.

Our CSR philosophy emphasizes active participation in societal upliftment aligned with the United Nations Sustainable Development Goals (SDGs). We prioritize areas such as gender equality, skill development, entrepreneurship, water and sanitation, and research in education and health sectors. Through these efforts, we aim to contribute towards building a resilient and inclusive society.

2. **Composition of CSR Committee:** Not Applicable, the net CSR expenditure requirement for the Company is below 50 lakhs hence the requirement to form a CSR Committee is not applicable on the company, however the company will form an committee when the regulatory limit is exceeded.

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

The CSR Policy of the Company is disclosed at <https://www.esc.co.in/>.

4. **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

5. a) Average net profit of the Company as per section 135(5): **Rs.4,20,51,984/-**
 b) Two percent of average net profit of the company as per section 135(5) : **Rs.8,41,040/-**
 c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **Nil**
 d) Amount required to be set off for the financial year, if any – **Nil**
 e) Total CSR obligation for the financial year (5b+5c+5d). - **Rs.8,41,040/-**
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs.8,41,050/-**
 b) Amount spent in Administrative Overheads: **Nil**
 c) Amount spent on Impact Assessment, if applicable: **Nil**
 d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs.8,41,050/-**

- e) CSR amount spent or unspent for the Financial Year: **Nil**

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135 of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135 of the Act		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
Rs.8,41,050/-			Not Applicable		

f) Excess amount for set off, if any: **Not applicable**

Sr. No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the company as per section 135(5)	
ii.	Total amount spent for the Financial Year	
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)]	

7. a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Balance amount in unspent CSR account under Sub-section (6) of Section 135 (in ₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any			Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Name of the Fund	Amount (in Rs).	Date of transfer.		
1.	FY -24								
2.	FY -23								
3.	FY -22								

Not Applicable

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Nil**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not Applicable.

For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-
Santosh Kumar Agrawal
Chairman & Managing Director
(DIN: 00493749)

Date: 01.08.2025
Place: New Delhi

Sd/-
Sunil Kumar Agrawal
Whole time Director
(DIN: 00493820)

ANNEXURE-V

Certificate from Practicing Company Secretary

Pursuant to Clause 10 of Part C of Schedule V of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
ESCONET TECHNOLOGIES LIMITED
Reg. off.: D – 147, Okhla Industrial Area
Phase – 1, New Delhi
Delhi - 110020

In pursuance of sub clause (i) of Clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirement) regulations, 2015 (LODR) in respect of ESCONET TECHNOLOGIES LIMITED (CIN: L62099DL2012PLC233739) I hereby certify that:

On the basis of the written representation/declaration received from the directors and taken on record by Board of directors, as on March 31, 2025, none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any statutory authority.

For **Ragini Agrawal & Associates**
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 4845/2023

Sd/-
Ragini Agrawal
Proprietor
ACS No.: 48903
UDIN: A048903G000665827

Place: Noida
Date: 26th June 2025

ANNEXURE-VI

Form No. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

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

To,
The Members
ESCONET TECHNOLOGIES LIMITED
D – 147, Okhla Industrial Area
Phase – 1, New Delhi
Delhi - 110020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Esconet Technologies Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and there presentations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 (‘Audit Period’) generally 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.

We have examined the books, papers, minute books, forms and returns filed, and other records made available to us and maintained by the Company as per Annexure A for the Financial Year ended on 31st March 2025 according to the provisions of:

- a) The Companies Act, 2013 (the Act) and the rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- c) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- d) 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 Borrowings.

e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -

- 1) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- 2) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- 3) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- 4) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the period);
- 5) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the period);
- 6) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- 7) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not applicable to the Company during the period) and
- 8) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;(Not applicable to the Company during the period);
- 9) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

The management has identified and informed the following laws as being specifically applicable to the Company:

1. The Factories Act, 1948
2. The Employee's Provident Fund and Miscellaneous Provisions Act, 1952
3. The Payment of Gratuity Act, 1972
4. The Employees State Insurance Act, 1948

We further report that having regard to the compliance system prevailing in the company and on examination of relevant documents and records in pursuance thereof, on test check basis, the company has generally complied with other laws identified by the management as applicable specifically to the company broadly covering Laws relating to Information Technology sector.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with the NSE read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

- The corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI (LODR) Regulations") are not applicable to the said Company, as the Equity Shares of Esconet Technologies Limited are listed on NSE Emerge Platform of National Stock Exchange India Limited (Hereinafter referred to as the "SME Exchange –NSE") with effect from 23rd February 2024.

We further report that

The Board of Directors of the Company is 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 and applicable Regulations.

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.

All decision of Board and committee meetings were carried with requisite majority.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific event / action that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

For **Ragini Agrawal & Associates**

Practicing Company Secretaries

FRN: P2018RJ071900

Peer Review Certificate No.: 4845/2023

Sd/-

Ragini Agrawal

Proprietor

ACS No.: 48903

UDIN: A048903G000666091

Place: Noida

Date: 26th June 2025

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this Secretarial Audit report.

ANNEXURE – A To the Secretarial Audit Report

To,
The Members
ESCONET TECHNOLOGIES LIMITED
D – 147, Okhla Industrial Area
Phase – 1, New Delhi
Delhi – 110020

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
7. 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 **Ragini Agrawal & Associates**
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 4845/2023

Sd/-
Ragini Agrawal
Proprietor
ACS No.: 48903
UDIN: A048903G000666091

Place: Noida
Date: 26th June 2025

ANNEXURE-VII

MD and CFO Certification

To,
The Board of Directors
Esconet Technologies Limited
D – 147, Okhla Industrial Area
Phase – 1, New Delhi – 110020

We Santosh Kumar Agrawal, Managing Director and Keshav Pareek, Chief Financial Officer of Esconet Technologies Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow of the Company and all the notes on accounts and the Board's report for the year ended March 31, 2025, and that to the best of our knowledge and belief –
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements present a true and fair view of the company's affairs and comply with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our 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;
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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;
4. We have indicated to the Auditors and the Audit committee that:
 - there have been no significant changes in internal control over financial reporting during the year
 - there have been no significant changes in accounting policies during the year; and
 - there have been no 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.

For and on behalf of the Board
ESCONET TECHNOLOGIES LIMITED

Sd/-
Santosh Kumar Agrawal
Chairman & Managing Director
(DIN: 00493749)

Sd/-
Sunil Kumar Agrawal
Whole time Director
(DIN: 00493820)

Date: 01.08.2025
Place: New Delhi

ANNEXURE-VIII

Policy on Code of Conduct and Ethics

Code of Conduct for Directors and the Senior Management

PREAMBLE

Esconet Technologies Limited ("Company") intends to formulate this code of conduct for the members of the board of directors of the Company (whole-time/ executive directors and non-executive directors (including independent directors)) ("Board" or "Board of Directors" and such directors, the "Director(s)") and the members of the senior management team ("Senior Management") pursuant to Section 149 of the Companies Act, 2013, as amended, and Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") (and such code of conduct, the "**Code**").

The Code is in alignment with the Company's objectives, and corporate governance policy and aims at enhancing an ethical transparent process in managing the affairs of the Company. The term 'Senior Management' shall entail the members of the Company's core management team excluding the Board and shall comprise of all the members of management one level below the chief executive officer and the managing director, and the whole-time director of the Company, including the company secretary and chief financial officer of the Company.

OBJECTIVE

Over the years, the Company conducted its business with very high ethical and moral standards. This has resulted in gaining reputation as a professionally managed Company. As the Company grows and expands, it is extremely important to continue to exhibit high levels of ethical standards and professional behaviour in everything that the Company does.

The Company is conscious of the reputation it carries amongst its customers and public at large and shall endeavour to do all it can to sustain and improve upon the same in its discharge of obligations.

APPLICABILITY AND APPROVAL OF THE BOARD

Accordingly, the Board has adopted the Code at its meeting held on 29th May 2024 which can be amended from time to time.

This Code is applicable to the Board and the Senior Management. The rules and principles set forth in this Code are general in nature and the compliance with this Code shall be ensured read with other applicable policies and procedures of the Company. The directors and senior management personnel may contact the compliance

officer for the purposes of this Code for assistance in interpreting the requirements of this Code. All Directors and Senior Management shall affirm compliance with the Code on an annual basis.

GENERAL STANDARDS OF CONDUCT

A. The Company expects

1. Adherence to the highest standards of honest conduct, including proper and ethical procedures in dealing with actual or apparent conflicts of interest between personal and professional relationships.
2. Full, true and fair – Accept its disclosures in the periodic reports required to be filed by the Company with government and regulatory agencies.
3. Compliance with applicable laws, rules and regulations.
4. To address misuse or misapplication of the Company's assets and resources
5. The highest level of confidentiality and fair dealing within and outside the Company.
6. All Directors and Senior Management shall conduct their activities and fulfill their fiduciary obligations, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness and in the best interest of the Company. All Directors and Senior Management shall act on a fully informed basis, in good faith, responsibility, due diligence and care, competence and diligence, without allowing their independent judgment to be subordinated and in the best interest of the Company.
7. All Directors and members of the Senior Management to exercise good judgment, to ensure the interests, safety and welfare of customers, employees, and other stakeholders and to maintain a cooperative, efficient, positive, harmonious and productive work environment and business organization.

B. "Conflict of Interest

Conflict of interest occurs when personal interest of any member of the Board of Directors and of the Senior Management interferes or appears to interfere in any way with the interests of the Company. Every member

of the Board of Directors and Senior Management has a responsibility to the Company, its stakeholders and to each other. Although this duty does not prevent them from engaging in personal transactions and investments, it does demand that they avoid situations where a conflict of interest might occur or appear to occur. They are expected to perform their duties in a way that they do not conflict with the Company's interest such as –

- a) **Employment / Outside Employment** - The members of the Senior Management are expected to devote their total attention to the business interests of the Company. They are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company or otherwise is in conflict with or prejudicial to the Company.
- b) **Business Interests** - If any member of the Board of Directors and Senior Management considers investing in securities issued by the Company's customer, supplier or competitor, they should ensure that these investments do not compromise their responsibilities to the Company. Many factors including the size and nature of the investment; their ability to influence the Company's decisions, their access to confidential information of the Company, or of the other entity, and the nature of the relationship between the Company and the customer, supplier or competitor should be considered in determining whether a conflict exists. Additionally, they should disclose to the Company any interest that they have which may conflict with the business of the Company. Senior Management shall make disclosures to the Board relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.
- c) **Family members and close personal relationships:** Directors and members of Senior Management shall not use personnel influence to make the Company do business with a company/institution in which his or her relatives are interested. As a general rule, directors and senior management personnel shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board and a prior approval shall be obtained.
- d) **Other directorships:** The Directors must disclose their directorship and committee membership on the other companies and substantial shareholding in other companies to the Board on an ongoing basis.

- e) **Related Parties** - In case of any dealings with related party the transaction shall be in compliances under Companies Act 2013, as amended and the SEBI Listing Regulation. Transactions/ dealing done on arm's length basis shall not be considered to be conflict of interest.

C. Disclosure Standards

The Company shall make full, fair and accurate disclosures in the periodic reports required to be filed with government and regulatory agencies. The members of Senior Management of the Company shall initiate all actions deemed necessary for proper dissemination of relevant information to the Board, auditors, regulators and other statutory agencies, as may be required by applicable laws, rules and regulations. The Board and Senior Management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

D. Compliance with applicable Laws

The Directors of the Company and Senior Management must comply with applicable laws, regulations, rules and regulatory orders both in letter and spirit. The Directors and members of Senior Management shall seek to acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently.

E. Use of Company's Assets and Resources

Each member of the Board of Directors and the Senior Management has a duty to the Company to disclose its legitimate interests while dealing with the Company's assets and resources. Members of the Board of Directors and Senior Management are prohibited from:

- a) using corporate property, information or position for personal gain;
- b) soliciting, demanding, accepting or agreeing to accept anything of value from any person while dealing with the Company's assets and resources; and
- c) acting on behalf of the Company in any transaction in which they or any of their relative(s) have a significant direct or indirect interest.

F. Confidentiality and Fair Dealings

- a) The Company's confidential information is a valuable asset. It includes all trade related information, trade secrets, confidential and privileged information, customer information, employee related information, strategies, administration, research in connection with the Company and commercial, legal, scientific, technical data that are either provided to or made available to each member of the Board

of Directors and the Senior Management by the Company either in paper form or electronic media to facilitate their work or that they are able to know or obtain access by virtue of their position with the Company. All confidential information must be used for Company's business purposes only.

- b) This responsibility includes the safeguarding, securing and proper disposal of confidential information in accordance with the Company's policy on maintaining and managing records. This obligation extends to confidential information of third parties, which the Company has rightfully received under non-disclosure agreements. Special care must be taken by the Board of Directors and members of the Senior Management to handle the confidential information of others responsibly. Such confidential information should be handled in accordance with the agreements with such third parties.
- c) To further the Company's business, confidential information may have to be disclosed to potential business partners. Care should be taken to divulge the most sensitive information, only after the said potential business partner has signed a confidentiality agreement with the Company.
- d) Any publication or publicly made statement that might be perceived or construed as attributable to the Company, made outside the scope of any appropriate authority in the Company, should include a disclaimer that the publication or statement represents the views of the specific author and not the Company.
- e) Examples of confidential information include but are not restricted to:
 - Information not yet released to the public
 - Unpublished company strategy
 - Investments, planned mergers or acquisitions
 - Information received from customers or partners
 - Unpublished Financial data either actual or forecasted
 - Employee information
 - Current or future R&D programs, technical breakthroughs and/or inventions

G. Insider trading

Director and members of the Senior Management shall not derive benefit or assist others to derive benefit by giving investment advice based on unpublished price sensitive information (defined in SEBI (Prohibition of Insider Trading) Regulations, 2015) about the Company and therefore constituting insider information. All

Directors and members of the Senior Management shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and insider trading policy(ies) framed by the Company under said SEBI regulations.

H. Competition and fair dealings

The Directors and members of Senior Management are obligated to deal fairly and honestly with each other, the Company's subsidiaries, joint ventures and associates and with the Company's customers, suppliers, competitors and other third parties. Directors and members of Senior Management shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice. The Company is committed to free and open competition in the marketplace. Directors and members of Senior Management shall avoid actions that could reasonably be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and/or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

I. Acceptance of gifts and payments

The Company requires that every Director and the member of Senior Management should be fully compliant with the laws, statutes, rules and regulations that have the objective of preventing unlawful gains of any nature whatsoever.

Directors and the members of Senior Management shall not accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, suppliers, shareholders/stakeholders, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commission of fraud, or opportunity for the commission of any fraud.

ADDITIONAL GUIDELINES FOR INDEPENDENT DIRECTORS

The independent Directors shall –

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- c) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

- d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e) strive to attend the general meetings of the Company;
- f) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- g) keep themselves well informed about the Company and the external environment in which it operates;
- h) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- j) ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l) act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
- n) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- o) bring an objective view in the evaluation of the performance of board and management;
- p) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- q) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- r) safeguard the interests of all stakeholders, particularly the minority shareholders;
- s) balance the conflicting interest of the stakeholders;
- t) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management; and
- u) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

Subject to the provisions contained in the Companies Act, 2013, an independent director or a non-executive director (not being promoter or key managerial personnel), shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable to him and with his consent or connivance or where he had not acted diligently.

FUNCTIONS OF THE BOARD AND GOOD CORPORATE GOVERNANCE PRACTICES

Each member of the Board of Directors and Senior Management of the Company should adhere to the following so as to ensure compliance with good Corporate Governance practices.

A. Key Functions of the members of the Board

Without limiting the generality of the duties stated in the Companies Act, 2013, SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct for Prevention of Insider Trading framed there under and other applicable laws, the duties of a director are as under:

- a) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets, and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions, and divestments.
- b) Monitoring the effectiveness of the Company's governance practices and making changes as needed.
- c) Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.
- d) Ensuring a transparent nomination process to the Board of Directors with the diversity of thought, experience, knowledge, perspective, and gender in the Board.
- e) Monitoring and managing potential conflicts of interest of management, members of the Board and shareholders, including misuse of corporate assets and abuse in related party transactions.
- f) Ensuring the integrity of the Company's accounting and financial reporting systems,

including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

- g) Overseeing the process of disclosure and communications.
- h) Monitoring and reviewing Board's evaluation framework.

B. Do's

1. Attend Board meetings regularly and participate in the deliberations and discussions effectively.
2. Study the Board papers thoroughly and enquire about follow up reports on definite time schedule.
3. Involve actively in the matter of formulation of general policies.
4. Be familiar with the broad objectives of the Company and the policies laid down by the government and the various laws and legislations.
5. Ensure confidentiality of the Company's agenda papers, notes and minutes.

C. Dont's

1. Do not reveal any information relating to any constituent of the Company to anyone.
2. Do not display the logo / distinctive design of the Company on their personal visiting cards / letter heads. Do not sponsor any proposal relating to loans, investments, buildings or sites for Company's premises, enlistment or empanelment of contractors, architects, auditors, doctors, lawyers and other professionals etc.
3. Do not do anything, which will interfere with and / or be subversive of maintenance of discipline, good conduct and integrity of the staff.
4. Do not buy or sell or suggest to anyone else buy or sell the securities of any company, either directly or through family members or other persons or entities, while you are aware of inside information about the company.

5. No employee including Senior Management, key managerial personnel or Director of the Company shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution.
6. Do not take any personal opportunities directly or indirectly that belong to the Company or are discovered through the use of Company's property, information or position

WAIVERS

Any waiver of any provision of this Code for a member of the Company's Board of Directors or a member of the Senior Management must be approved in writing by the Board of Directors of the Company.

The matters covered in this Code are of the utmost importance to the Company, its stakeholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its value system.

REPORTING/GRIEVANCE MECHANISM:

REDRESSAL

While every Director and member of Senior Management has to himself ensure compliance with this code, any instance of violation or possible violation of this code by the concerned Director or member of Senior Management or by any other Director member of Senior Management person shall be immediately reported to the Board through the compliance officer. Anyone who wants to raise grievance under this Policy, may also reach out to the Compliance Officer, at cs@esc.co.in ("Grievance Redressal Officer").

REVIEW OF CODE

The Code shall be reviewed at such intervals, as is deemed necessary by the Board. Consequent upon any changes in regulatory guidelines, such change shall be deemed to be a part of the Code until the Code is reviewed and approved next time.

Independent Auditor's Report

TO THE MEMBERS OF
ESCONET TECHNOLOGIES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENT

Opinion

We have audited the accompanying financial statements of **M/s Esconet Technologies Limited**, which comprises the balance sheet as at 31st March 2025, the Statement of Profit and Loss for the year then ended, Cash Flow Statement and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as the "Financials Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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, 2025, and Profit and Cash Flow for the period ended on that date.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting

principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

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 Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 appears from our examination of those books. The company has no branches.
- c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- f) Reporting on the adequacy of the internal financial control over Financial Reporting of the statements of the Company and the operating effectiveness of such controls, under sec 143(3) (i) of the act refer to our separate Report in "**Annexure B**" to this report; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our knowledge and according to the explanations given to us by the management, "the provisions contained under Section 197 of the Companies Act, 2013, read with Schedule V and the Rules framed thereunder, state that the maximum limit of managerial remuneration is not applicable to a private company and since, at the time when the remuneration was approved by the Board and paid, the company was a private company and converted on and when a private company converts to a public company, there is no stipulations or requirement for re-approval of shareholders regarding managerial remuneration approved during its private company status". Therefore, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- 1) The Company does not have any pending litigations which would impact its financial position;
- 2) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- 3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 4) a) The Management has represented that, to the best of its knowledge and belief, to the Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- 5) No Dividend declared or paid during the period by the company.
- 6) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Goel Mintri & Associates
Chartered Accountants
(Firm Reg. No. 013211N)

Gopal Dutt
(Partner)
M.No.520858

Place: New Delhi
Date: 28/05/2025
UDIN: 25520858BMIDSA8828

“Annexure – A” to the Independent Auditor’s Report

[Referred to in paragraph 1 under the heading “Report on Other legal and regulatory Requirements” of our report of even date]

To the best of our information and according to the explanations provided to us by the company “**M/s ESCONET TECHNOLOGIES LIMITED**” and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.

(B) The Company does not have any intangible assets during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us, the company does not have any immovable

property during the year hence reporting under clause (i)(c) of the order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

ii. (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have substantially been confirmed by them as at year end. No discrepancies of 10% or more in aggregate for each class of inventory (Including inventories lying with third parties) were noticed.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and quarterly returns or statements filed by the company with financial institutions or banks in agreement with the books of account of the Company.

Detail of outstanding amount as on 31.03.2025 and sanctioned limit-

Bank Name	Sanctioned Amount (Rs in Lacs)	O/S Amount (Rs in Lacs)	Security Provide
ICICI Bank	750	Nil	Immovable Fixed Asset Prop.No910,,1st and 2nd Floor, Block-E, Chittaranjan park, Delhi,, New Delhi -110048. Kharsa No.14/2 52/2 Ph No. 110, Ward No. 28, Mouja Juna Bilaspur, Block Belsha Gandhi Chowk, Bilaspur – 495001 Personal guarantee of Director

iii. During the year the Company has invested a total amount of Rs 5,06,49,200/- This includes investment in “M/s Zeacloud Services Private Limited “of Rs 5,00,00,000/- And investment in “Esconet Singapore Pte. Ltd” of Rs 6,49,200/- Apart from this, the company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The company has not granted loans or made investments, guarantees, and security where provisions of section 185 and 186 of the Companies Act, 2013 need to be complied with.

v. The Company has not accepted any deposit or amounts during the year which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. (a) The Company is regular in depositing 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 any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (43 of 1961).
- ix. (a) The company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause 3(ix)(a) is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has following loan outstanding as on 31st March 2025 from bank and financial institution.

Bank/ Financial Institution Name	Amount Outstanding as on 31st March, 2025
BMW Financial Service (Car Loan)	44,35,541/-
ICICI Bank (Creta Car Loan)	2,56,839/-
ICICI bank (Venue Car Loan)	6,07,895/-
Total	53,00,275.00/-

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. The company has made Preferential Allotment of 7,34,000 shares under review and the requirement of section 62 of the Companies Act, 2013 and Warrants Convertible into equity have been complied with and according to information and explanations given to us, the amount raised have been used for the purposes for which the funds were raised.

(₹ In Lakhs)

Objects of the issue	Amount Received from Preferential Allotment (assuming fully conversion of warrants)	Utilized upto 31st March, 2025	Unutilized upto 31st March, 2025
To infuse funds in Wholly owned Subsidiary i.e., Zeacloud Services Private Limited for its business expansion purpose	1,250.00	250.00	1,000.00
Additional Working Capital i.e. Esconet Technologies Limited	1,000.00	-	1,000.00
Repayment of Loan against the Company	400.00	247.95	152.05
General corporate purposes including issues related expenses	619.22	231.46	387.76
Total	3,269.22	729.41	2,539.81

The Company has received an amount of ₹ 28,22,40,000 from proceeds of fresh issue of equity shares in financial year 2023-24. The utilization of net IPO Proceeds is summarized as below:

(₹ In Lakhs)

Objects of the issue	Amount Received from IPO	Utilized upto 31st March, 2025	Unutilized upto 31st March, 2024
Working Capital	1,600.00	1,600.00	Nil
Investment in wholly owned subsidiary company Zeacloud Services Pvt. Ltd., to fund its capital expenditure	250.00	250.00	Nil
General Corporate Purpose	542.62	542.62	Nil
Issue related expense for IPO	429.78	429.78	Nil
Total	2,822.40	2,822.40	Nil

- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given by the Management, the Company has not received any whistle-blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has an internal audit system commensurate with the size and nature of its business. The reports of the internal auditor were considered by us.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment Company within the Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the current and in the preceding financial year.
- xviii. During the year resignation from the previous statutory auditor has taken place but there are no such consideration and objections or concerned raised by the previous auditor.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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. As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Social Welfare, Health care and charitable Trust etc. As on 31st March 2025 No CSR committee has been formed by the company as per the Act the Company is not required to form an CSR committee if the CSR spends are less than 50 Lakhs. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ In Lakhs)

Sr. No.	Particulars	As at 31st March 2025
1	Amount required to be spent by the company during the year	8.41
2	Amount actually Spend.	8.41
3	Opening surplus at the beginning of the year	Nil
4	Surplus at the end of the year	Nil
5	Shortfall at the end of the year	NA
6	Total of previous years shortfall	NA
7	Reason for shortfall	NA
8	Nature of CSR activities	Social Care and Charitable Trust

For **Goel Mintri & Associates**

Chartered Accountants

(Firm Reg. No. 013211N)

Gopal Dutt

(Partner)

M.No.520858

Place: New Delhi

Date: 28/05/2025

UDIN: 25520858BMIDSA8828

“Annexure – B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Esconet Technologies Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of ESCONET TECHNOLOGIES LIMITED (“the Company”) as of March 31, 2025 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that;

- (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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls

over financial reporting were operating effectively as at March 31, 2025, 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 **Goel Mintri & Associates**
Chartered Accountants
(Firm Reg. No. 013211N)

Gopal Dutt
(Partner)
M.No.520858

Place: New Delhi
Date: 28/05/2025
UDIN: 25520858BMIDSA8828

Statement of Standalone Balance Sheet

as at 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Particulars	Note No	Figures As At 31st, March 2025 (INR)	Figures As At 31st, March 2024 (INR)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	1,309.40	1,236.00
(b) Reserves and Surplus	2.2	5,392.09	2,440.36
(c) Money received against Warrants Convertible into Shares		184.23	-
(2) Non-Current Liabilities			
(a) Long-term Borrowings	2.3	42.52	231.10
(b) Long-term Provisions	2.4	41.52	39.69
(3) Current Liabilities			
(a) Short-term borrowings	2.5	10.49	292.91
(b) Trade payables	2.6		
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,125.07	2,904.12
(c) Other current liabilities	2.7	151.83	152.88
(d) Short-term provisions	2.8	239.60	193.86
Total		11,496.75	7,490.93
II. Assets			
(1) Non-current assets			
(a) Property, Plant & Equipments and Intangible Assets			
(i) Tangible assets	2.9	156.69	148.32
(b) Deferred Tax Assets (Net)	2.10	26.03	19.20
(c) Non-Current Investments	2.11	540.92	34.43
(2) Current assets			
(a) Inventories (At Cost)	2.12	1,894.21	1,426.90
(b) Trade receivables	2.13	5,343.98	3,852.15
(c) Cash and cash equivalents	2.14	3,132.97	1,644.86
(d) Short-term loans and advances	2.15	18.00	35.21
(e) Other current assets	2.16	383.95	329.86
Total		11,496.75	7,490.93

The accompanying notes 1 to 2.25 are as an integral part of the financial statements Subject to our report of even date

For **Ms Goel Mintri & Associates**
CHARTERED ACCOUNTANTS
(FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
(Director)
DIN NO.-00493749

Sunil Kumar Agrawal
(Director)
DIN NO.-00493820

GOPAL DUTT

Partner
Membership No. 520858
Place : New Delhi
UDIN: 25520858BMIDSA8828
Date : 28.05.2025

Keshav Pareek
(Chief Financial Officer)

Rajnish Pandey
(Company Secretary)

Statement of Standalone Profit & Loss

for the Year ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Particulars	Note No	Figures for the year ended 31st, March 2025	Figures for the year ended 31st, March 2024
I. Revenue from operations	2.17	22,509.98	13,747.50
II. Other Income	2.18	289.98	24.23
III. Total Income (I +II)		22,799.96	13,771.73
IV. Expenses:			
Purchases	2.19	19,731.96	11,607.24
Change in Inventories	2.20	(467.31)	(569.94)
Employee benefit expense	2.21	557.04	473.35
Financial costs	2.22	81.48	178.11
Depreciation and amortization expense	2.9	75.13	68.15
Other expenses	2.23	1,908.85	1,287.33
Total Expenses		21,887.16	13,044.24
V. Profit before prior period items, exceptional items, extraordinary items and tax (III - IV)		912.80	727.48
VI. Exceptional & Extraordinary Items		-	-
VII. Profit before tax (V - VI)		912.80	727.48
VIII. Tax expense:			
(1) Current tax		239.60	193.86
(2) Deferred tax		(6.84)	3.67
(3) Earlier Year Taxes		(8.95)	-
IX. Profit for the period (VII - VIII)		688.98	529.95
X. Earning per equity share:	2.24		
(1) Basic		5.26	5.84
(2) Diluted		5.43	5.84

The accompanying notes 1 to 2.25 are as an integral part of the financial statements. Subject to our report of even date

For **Ms Goel Mintri & Associates**
 CHARTERED ACCOUNTANTS
 (FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
 (Director)
 DIN NO.-00493749

Sunil Kumar Agrawal
 (Director)
 DIN NO.-00493820

GOPAL DUTT

Partner
 Membership No. 520858
 Place : New Delhi
 UDIN: 25520858BMIDSA8828
 Date : 28.05.2025

Keshav Pareek
 (Chief Financial Officer)

Rajnish Pandey
 (Company Secretary)

Statement of Standalone Cash Flows

for the Year ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Particulars	2024-25	2023-24
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit & Loss Account	912.80	727.48
Adjustments for:		
Depreciation	75.13	68.15
Profit on disposal of Assets	-	(4.78)
Interest/ Other Income	(103.29)	(11.31)
Interest & Financial Charges	81.48	178.11
Operating Profit before Working Capital Changes	966.12	957.65
Adjustments for:		
(Increase)/ Decrease in Current Assets		
Inventories	(467.31)	(569.94)
Trade Receivable	(1,491.83)	(2,593.41)
Short Term Loans & Advances	17.22	(15.01)
Other Current Assets	(54.09)	175.71
Increase/ (Decrease) in Current Liabilities		
Trade Payables	1,220.95	1,898.25
Other Current Liabilities	(1.04)	90.69
Provisions	45.73	64.92
Cash Generated from Operations	235.75	8.86
Income Tax Adjustment/ Paid	(230.65)	(193.86)
Net Cash from Operating Activities	5.10	(185.00)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(83.50)	(127.36)
Interest and other income	103.29	11.31
Other Non current assets	(506.49)	(34.43)
Sale/Adjustment of Fixed Assets	-	69.91
Net Cash Used in Investing Activities	(486.70)	(80.57)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Acquisition/(Repayment) of Long Term Borrowings	(188.59)	(87.81)
Proceeds from Issue of Equity Shares and Warrants	2,520.38	2,593.20
Change in Long Term Provisions	1.83	3.28
Acquisition/(Repayment) of Short Term Borrowings	(282.43)	(492.07)
Finance Cost	(81.48)	(178.11)
Net Cash from Financing Activities	1,969.71	1,838.49
Net Increase/ (Decrease) in Cash & Cash Equivalents	1,488.11	1,572.92
Opening Balance of Cash & Cash Equivalents	1,644.86	71.95
Closing Balance of Cash & Cash Equivalents	3,132.97	1,644.86

The accompanying notes 1 to 2.25 are as an integral part of the financial statements. Subject to our report of even date

For **Ms Goel Mintri & Associates**
 CHARTERED ACCOUNTANTS
 (FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
 (Director)
 DIN NO.-00493749

Sunil Kumar Agrawal
 (Director)
 DIN NO.-00493820

GOPAL DUTT
 Partner
 Membership No. 520858
 Place : New Delhi
 UDIN: 25520858BMDSA8828
 Date : 28.05.2025

Keshav Pareek
 (Chief Financial Officer)

Rajnish Pandey
 (Company Secretary)

Notes to the Financial Statements

for the period ended as on 31st March, 2025

1 CORPORATE INFORMATION:

Esconet Technologies Limited is now a "Public" company domiciled in India and incorporated on 30th day of March, 2012 under provisions of the Companies Act, 1956 applicable in India.

The Company has converted into a Public Limited Company and Consequently, the name of the company has been changed from "Esconet Technologies Private Limited" to "Esconet Technologies Limited" in Extra-Ordinary General Meeting dated 9th day of August of 2023.

The Company have authorized share Capital of ₹ 15,00,00,000/- divided into 1,50,00,000 Equity shares having face value of ₹ 10/- each and paid-up share Capital of ₹ 13,09,40,000/- divided into 1,30,94,000 Equity shares of ₹ 10/- each.

The ISIN and the Scrip code of the company are "INE0RQZ01017" and "ESCONET" respectively. The Company got listed on NSE SME exchange on 23rd day of February, 2024.

The registered office of the Company is situated at D-147 Okhla Industrial Area Phase 1, South Delhi, New Delhi, Delhi, India, 110020

Esconet Technologies Limited", a Company which is engaged in the business of trading of Information Technology (IT) products including servers, workstation, related IT peripherals and IT enabled services.

1.1 SIGNIFICANT ACCOUNTING POLICIES:

The Financial statements have been prepared using the Significant Accounting Policies and Measurement bases summarized below:

- **Basis Of Accounting And Preparation Of Financial Statements**

The financial statements of the Company have been prepared on Going Concern basis in accordance with the accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost convention on the accrual basis.

These financial statements have been prepared to comply in all material aspects with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 (the "Act") read with rules under the Companies (Accounts) Rules, 2021 (amended) and other relevant provisions of the Companies Act, 2013.

The financial statements are presented in Indian Rupees(₹) which is also the functional currency of the Company.

- **Use of Estimates**

The Preparation of Financial Statements in conformity with Indian generally accepted accounting principles (IGAAP) requires the management to make estimates and assumptions that effect the reported amount of Assets and Liabilities (including the disclosure of contingent liabilities) at the date of the Financial Statements and the results of operation of during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

- **Revenue Recognition**

- (a) Revenue from sales of goods are recognised when all significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be realized from the sale of goods. Sale are recognised, net of returns and trade discounts.
- (b) Revenue from services are recognized on achievement of performance on the basis of completed service contract method.
- (c) Interest income are recognised on accrual basis.

- **Property, Plant & Equipments**

Property, plant & equipment are carried at cost of acquisition/construction including import duties & non-refundable purchase taxes (after deducting trade discounts and rebates) and other incidental expenses directly attributable to bringing the asset to location and condition necessary for it to be capable of operating in the manner intended by the management, as the case may be, less accumulated depreciation, amortisation and impairment as necessary.

- **Intangible Assets**

The company does not any intangible asset during the current financial year.

- **Depreciation and Amortization**

Depreciation on property, plant & equipments has been charged on written down value method in accordance with useful lives and rates specified in Schedule II of the "Companies Act, 2013". Depreciation on Assets purchase or sold during the year is taken on prorata basis.

Notes to the Financial Statements

for the period ended as on 31st March, 2025

● Foreign Currency Transactions & Translations

- (i) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Gain/loss arising out of fluctuation rate between transaction date and settlement date in respect of revenue items is recognized in the profit & loss account and in case of other assets, is recognized to the carrying cost of respective assets.
- (ii) Foreign currency monetary items as on the date of balance sheet are translated at the exchange rate prevailing on the date of balance sheet. The resulting exchange difference, if any except on account on property, plant & equipment, is charged to the revenue account.

● Purchase

The costs of purchase consist of the purchase price including duties & taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to bringing the inventory to the present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

● Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Further, the company follows First In First Out system of accounting for stock in trade.

● Investments

Investments that are intended to be held for more than an year, from the date of acquisition, are classified as long-term investments and are carried at cost. However, provision for diminution in value of investments is made to recognise a decline, other than temporary, in the value of the investments. Current investments not intended to be held for a period more than one year, are stated at lower of cost and fair value.

● Earnings per share

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

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted

for dividend, interest and other charges of expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

● Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets up to the date when such assets are ready for its intended use. All other borrowing costs are recognised in profit and loss in the period in which they are incurred. Borrowing costs includes interest, ancillary costs incurred in connection with the arrangement of the borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

● Employee Benefits

(a) Defined Contribution Plan:

The Company's Contribution towards Provident Fund, State Insurance Fund and other Funds are considered as Defined Contribution Plan and are charged as an expenses to the Statement of Profit and Loss statement when it falls due based on the amount of Contribution required to made for the reporting period. There is no other obligation other than the contribution payable to the respective funds.

(b) Defined Benefit Plan:

Defined benefit plan of bonus and leave encashment are provided as expense on the basis of payment and gratuity is calculated as per Payment of Gratuity Act, 1972.

● Tax Expenses

- a) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Provision for current tax are measured on the basis of the assessable income at the tax rates and tax laws are enacted on the balance sheet date.
- b) Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of

Notes to the Financial Statements

for the period ended as on 31st March, 2025

reversal in one or more subsequent periods. Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

- c) Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation or carried forward losses are recognised, if there is virtual certainty that there will be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets are reviewed at each Balance Sheet date for their reliability

● Provisions, contingent liabilities and contingent assets

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events, for which a reliable estimate can be made and it is probable that there will be an outflow of resources. Provision is not discounted to its present value and is determined based on the best estimate required to settle an obligation at the year end. These are reviewed every year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but are disclosed in the Notes to Accounts of the Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

● Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

● Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of 12 months or less.

● Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and noncurrent liabilities, as the case may be

● Segment Reporting

Company operates in a single reportable operating segment. Hence there are no separate reportable segments.

For **Ms Goel Mintri & Associates**
CHARTERED ACCOUNTANTS
(FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
(Director)
DIN NO.-00493749

Sunil Kumar Agrawal
(Director)
DIN NO.-00493820

GOPAL DUTT

Partner
Membership No. 520858
Place : New Delhi
UDIN: 25520858BMIDSA8828
Date : 28.05.2025

Keshav Pareek
(Chief Financial Officer)

Rajnish Pandey
(Company Secretary)

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Note No	Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
2.1	Share Capital		
	Equity Share Capital		
	Authorised Share capital		
	1,50,00,000 Equity Shares of ₹ 10/- each	1,500.00	100.00
	ADD: Increase in Authorised Share Capital during the year	-	1,400.00
	Total	1,500.00	1,500.00
	Issued, subscribed & fully paid share capital		
	1,23,60,000 Equity Shares of ₹ 10/- each	1,236.00	76.71
	ADD: Increase in Subscribed Share Capital during the year		
	7,34,000 Equity Shares of ₹ 10/- each	73.40	1,159.29
	Total	1,309.40	1,236.00

TERM/RIGHTS ATTACHED TO EQUITY SHARES

During the financial year 2024-25:

The Company allotted 7,34,000 equity shares of face value ₹10 each at a share premium of ₹ 335 per share.

The Company also allotted 2,13,600 convertible warrants, each convertible into one equity share of face value ₹ 10 at an offer price of ₹ 345 per warrant, against which 25% of the total consideration was received upfront as application and allotment money and expiry date of the offer is 23rd April 2026. The amount received against share warrants has been recorded under Shareholder's Fund

The Company has only one class of equity shares having a par value of ₹ 10 per share. Holder of each equity share is entitled to one vote. The Company declares and pays dividends in Indian Rupees (If any). The dividend proposed by the board of directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of Number of Shares at the beginning and at the end of the period

Particulars	No. of Shares	No. of Shares
Equity Shares		
At the beginning of the year	1,23,60,000	7,67,100
Add: Issued during the year	7,34,000	1,15,92,900
At the end of the year	1,30,94,000	1,23,60,000

Detail of Shares held by Shareholders holding 5% or more of aggregate shares in the company

Name of Shareholder	As on 31st March, 2025		As on 31st March, 2024	
	No. of Share Held	% of Holding	No. of Share Held	% of Holding
Santosh Kumar Agrawal	42,36,100	32.35%	42,36,100	34.27%
Sunil Kumar Agrawal	31,00,823	23.68%	31,00,823	25.09%

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Shares held by promoters at the end of the year

Promoter name	As on 31st March, 2025		As on 31st March, 2024	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Santosh Kumar Agrawal	42,36,100	32.35%	42,36,100	34.27%
Sunil Kumar Agrawal	31,00,823	23.68%	31,00,823	25.09%
Anil Kumar Agrawal	2,75,000	2.10%	2,75,000	2.22%
Abha Agrawal	1,76,000	1.34%	1,76,000	1.42%
Savitri Devi Agrawal	1,10,000	0.84%	1,10,000	0.89%
Vineet Agrawal	88,473	0.68%	88,473	0.72%
Pooja Gupta	30,000	0.23%	30,000	0.24%
Monita Agrawal	6,500	0.05%	6,500	0.05%
Shubhangi Agrawal	3,300	0.03%	3,300	0.03%
Total	80,26,196	61.30%	80,26,196	64.94%

2.2	Reserves and Surplus	Amount as on 31.03.2025	Amount as on 31.03.2024
	(a) Securities Premium Reserve		
	Opening Balance	1,433.91	-
	Add : Securities premium credited on issue of shares	2,458.90	2,604.99
		-	777.82
	Less : Share Issue Expenses	196.15	393.26
	Closing Balance	3,696.65	1,433.91
	(b) Surplus in the statement of profit and loss		
	Balance as per last financial Statements	1,006.45	476.51
	Add: Profit/(Loss) for the year	688.98	529.95
	Closing Balance	1,695.44	1,006.45
	Total	5,392.09	2,440.36

2.3	Long-term borrowings*	Amount as on 31.03.2025	Amount as on 31.03.2024
	Secured		
	(a) Loan From Bank		
	ICICI BANK (Creta Car Loan)	-	2.57
	ICICI LOAN (ECLGS)	-	6.61
	Federal Bank (Car Loan)	-	11.51
	ICICI bank (Venue Car Loan)	1.87	6.08
	BMW Financial Service (Car Loan)	40.65	44.36
	Unsecured		
	(a) Loan from Directors		
	Santosh Kumar Agrawal	-	137.82
	Sunil Kumar Agrawal	-	22.16
	Total	42.52	231.10

*Term & Conditions

- Car Loans from ICICI bank is secured against Hypothecation of Cars.
Loans have been taken for the period of 36 months.
- Car Loans from BMW Financial Service is secured against Hypothecation of Car.
Loans have been taken for the period of 60 Months
- No terms and Condition has been Stipulated for repayment of Unsecured Loan.

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

2.4	Long-term provisions	Amount as on 31.03.2025	Amount as on 31.03.2024
	Gratuity Payable	41.52	39.69
	Total	41.52	39.69

2.5	Short-terms borrowings	Amount as on 31.03.2025	Amount as on 31.03.2024
	Secured		
	(a) Current Maturity of Long Term borrowings from Banks		
	ICICI BANK (Creta Car Loan)	2.57	4.13
	ICICI bank (Venue Car Loan)	4.21	3.85
	Federal Bank	-	5.44
	ICICI Bank Ltd. (Cash Credit A/c)		-
	BMW Financial Service (Car Loan)	3.71	3.35
	(a) Current Maturity of Long Term borrowings from others		
	Bear Bull Distributers Pvt Ltd	-	150.00
	Siemens Factring Private Ltd.	-	126.57
	Hero Fincorp	-	-0.42
	Total	10.49	292.91

*Terms & Conditions

- Loans from Siemens Factoring Private Limited is taken for a period of 24 months.
- Loan from ICICI Bank is secured against Stock, Debtors and Land & Building situated at Bilaspur (Chattisgarh) of Directors as the collateral security and also the Personal Guarantee of Directors.

2.6	Trade Payables*	Amount as on 31.03.2025	Amount as on 31.03.2024
	MSME	-	
	NON MSME	4,125.07	2,904.12
	* For detailed ageing see note 2.6.1		
	Total	4,125.07	2,904.12

2.7	Other current liabilities	Amount as on 31.03.2025	Amount as on 31.03.2024
	TDS and TCS Payable	94.46	63.37
	GST Payable	0.78	1.72
	Bonus Payable	8.65	6.05
	Salary Payable	1.18	32.87
	Directors Remuneration payable	-	3.00
	Provident Fund Payable	-	1.54
	ESIC Payable	0.04	0.02
	Interest Payable	-	-
	Auditor Expenses Payable	2.70	2.48
	Other Expenses Payable	32.94	-
	Expenses Payable(Employee)	1.64	1.89
	Advance From Customer	9.44	25.97
	Expenses Payable(IPO)	-	13.98
	Total	151.83	152.88

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

2.8	Short-term provisions	Amount as on 31.03.2025	Amount as on 31.03.2024
	Provision for Income Tax	239.60	193.86
	Total	239.60	193.86
2.10	Deferred Tax Assets	Amount as on 31.03.2025	Amount as on 31.03.2024
	a) Deferred Tax relating to Assets		
	W.D.V as per Companies Act	156.69	0.00
	W.D.V as per Income Tax Act	254.15	219.58
	Timing Difference	97.46	71.27
	Deferred Tax Assets/(Liability) (A)	24.53	17.94
	b) Deferred Tax relating to Others		
	Gratuity Payable	5.98	5.01
	Business Loss	-	-
	Unabsorb depreciation	-	-
	Timing Difference	5.98	5.01
	Deferred Tax Assets/(Liability) (B)	1.51	1.26
	c) Total Deferred Tax Assets/(Liability) (A + B)	26.03	19.20
	Less: Opening balance of Deferred tax assets	19.20	22.87
	Provision Created during the year T/f to P & L A/c	6.84	-3.67
2.11	Non-Current Investments	Amount as on 31.03.2025	Amount as on 31.03.2024
	Investment in Subsidiary (Zeacloud services Pvt. Ltd.)	534.43	34.43
	Investment in Subsidiary (Esconet Singapore Pte. Ltd)	6.49	-
	Total	540.92	34.43
2.12	Inventories (At Cost)	Amount as on 31.03.2025	Amount as on 31.03.2024
	Inventories	1,894.21	1,426.90
	Total	1,894.21	1,426.90
2.13	Trade Receivables	Amount as on 31.03.2025	Amount as on 31.03.2024
	(Unsecured, Considered Good)		
	More than six months	660.77	133.35
	Less than six months	4,669.25	3,704.83
	(Disputed, Considered Good)		
	More than six months	13.96	13.96
	Less than six months		-
	* For detailed ageing see note 2.13.1		
	Total	5,343.98	3,852.15

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

2.14	Cash & Cash Equivalents	Amount as on 31.03.2025	Amount as on 31.03.2024
	Cash on Hand	0.77	0.66
	Balance with Banks		-
	EMD with Customers	59.07	30.21
	FDR with ICICI Bank	1,922.35	1,301.81
	ICICI Bank (135413000046)	5.00	4.15
	Kotak Mahindra Bank Ltd (IPO A/C)	-	18.35
	ICICI Bank Ltd. (Cash Credit A/c)	894.13	289.68
	ICICI Bank (135405004429)	251.64	-
	Total	3,132.97	1,644.86

2.15	Short term loans and advances	Amount as on 31.03.2025	Amount as on 31.03.2024
	Unsecured - Considered Goods		
	Advances to Staff	3.51	5.85
	Advances to Suppliers	14.49	29.36
	Total	18.00	35.21

2.16	Other Current Assets	Amount as on 31.03.2025	Amount as on 31.03.2024
	GST Input	145.23	39.93
	TDS Receivable	208.44	247.27
	TCS Receivable	0.13	0.78
	Other Deposit(TDS)	-	0.52
	Prepaid expenses	21.01	10.08
	Other Deposit(National Stock Exchange)	-	28.22
	Other Deposit(Rent)	9.15	3.05
	Total	383.95	329.86

2.17	Revenue from Operations	Amount as on 31.03.2025	Amount as on 31.03.2024
	Sales of IT products	23,084.60	11,856.28
	Other Operating Revenue		
	Service Charges*	(574.62)	1,891.22
	*(The company had provided services to some parties and subsequently reversed them due to deficiency of services during the year. As a result, the service charge balance reflects a negative balance.		
	Total	22,509.98	13,747.50

2.18	Other Income	Amount as on 31.03.2025	Amount as on 31.03.2024
	Other Income	186.69	8.14
	Interest on FDR Deposit	103.29	11.31
	Profit on sale of Fixed Assets	-	4.78
	Total	289.98	24.23

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

2.19	Purchases	Amount as on 31.03.2025	Amount as on 31.03.2024
	Purchases of IT Products	19,731.96	11,607.24
	Total	19,731.96	11,607.24

2.20	Change in Inventories	Amount as on 31.03.2025	Amount as on 31.03.2024
	Opening Stock	1,426.90	856.96
	Less: Closing Stock	1,894.21	1,426.90
	Total	(467.31)	(569.94)

2.21	Employee Benefit Expenses	Amount as on 31.03.2025	Amount as on 31.03.2024
	Salaries to Staff	411.43	334.00
	H.R.A to Staff	73.19	66.84
	Incentive to Staff	9.16	33.20
	Employer Cont. to Provident Fund	11.15	9.36
	Bonus	10.35	6.05
	Gratuity	5.98	5.01
	ESIC	0.44	0.35
	Leave In cash	0.46	0.19
	Staff welfare expenses	34.88	18.36
	Total	557.04	473.35

2.22	Finance Costs	Amount as on 31.03.2025	Amount as on 31.03.2024
	Bank Charges	41.07	21.24
	Bank Interest on CC A/c	6.32	42.92
	Interest on Loans	32.50	95.52
	Interest on Statutory Dues	0.44	7.25
	Interest on Delay Payment to Parties	1.15	11.18
	Total	81.48	178.11

2.23	Other Expenses	Amount as on 31.03.2025	Amount as on 31.03.2024
	Service Charges	850.48	637.03
	Advertisement Expenses	3.80	10.69
	Auditors's Remuneration	4.00	3.75
	Additional Demand Govt. Dues	0.22	0.05
	Balance Written off	13.98	3.55
	Charity & Donation	5.43	0.35
	CSR Expenditure	8.41	-
	Commision Expenses	30.97	47.06
	Computer Maintenance	25.30	20.74
	Conveyance Expenses	5.50	4.39
	Conference & Exhibition	54.77	40.67
	Directors Remuneration	88.20	72.00

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

2.23	Other Expenses	Amount as on 31.03.2025	Amount as on 31.03.2024
	Loss on Fixed Assets W/off	-	-
	Electricity Expenses	12.08	9.61
	Freight Charges	47.20	40.80
	Insurance	28.78	15.03
	Legal & Professional Charges	51.81	30.93
	Liquidated Damages	2.54	16.73
	Membership Expenses	20.37	8.29
	Miscellaneous Expenses	0.57	0.48
	Office Maintenance	13.97	5.04
	Packing Expenses	3.54	2.14
	Printing & Stationary	1.46	2.44
	Rent	93.70	54.00
	Repair & Maintenance	4.21	0.48
	Sales Promotion	57.14	32.85
	Sales and Marketing Expenditure	333.04	149.08
	Security Charges	9.43	4.52
	Sitting Fees	5.44	6.40
	Telephone Expenses	3.89	4.74
	Tender Expense	23.01	20.19
	Tour & Travelling Expenses	74.17	27.37
	Vehicle Runing & Maintenace Exp.	18.14	15.97
	Website Expenses	13.32	-
	Total	1,908.85	1,287.33

2.24	Earning Per Share	Amount as on 31.03.2025	Amount as on 31.03.2024
	Basic & Diluted	-	-
	Net Profit for the year attributable to	688.98	529.95
	Equity Shares (In numbers)	1,30,94,000	1,23,60,000
	Weighted Average Number of Equity Shares (In numbers)	1,26,79,742	90,67,862
	Par Value Per Share	10.00	10.00
	Earnings Per Share (Basic)	5.26	5.84
	Earnings Per Share (Diluted)	5.43	5.84

2.6.1 Trade Payables

As on 31st March, 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	4,113.07	0.75	-	11.25	4,125.07
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
TOTAL	4,113.07	0.75	-	11.25	4,125.07

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

As on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2,892.12	0.75	-	11.25	2,904.12
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
TOTAL	2,892.12	0.75	-	11.25	2,904.12

2.13.1 Trade Receivables

As on 31st March, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	4,669.25	557.33	4.32	-	99.11	5,330.02
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	13.96	13.96
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL	4,669.25	557.33	4.32	-	113.07	5,343.98

As on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	3,704.83	30.47	11.70	-	91.19	3,838.19
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	13.96	13.96
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	3,704.83	30.47	11.70	-	105.15	3,852.15

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Property, Plant and Equipment

Description	Computer Equipment	Vehicles	Office Equipments	Furnitures and Fixtures	Building-Temporary Structure	Total
Cost as at April 1, 2024	149.25	192.47	31.28	8.88	-	381.87
Additions	-	22.02	46.71	0.91	13.85	83.50
Disposals	-	-	-	-	-	-
Cost as at March 31, 2025	149.25	214.49	77.99	9.79	13.85	465.37
Accumulated depreciation as at April 1, 2024	118.69	89.06	21.55	4.25	-	233.55
Depreciation for the year	14.91	36.77	16.82	1.64	4.99	75.13
Disposals	-	-	-	-	-	-
Accumulated depreciation as at 31 March, 2025	133.60	125.83	38.37	5.89	4.99	308.68
Net Carrying amount as at March 31, 2025	15.64	88.65	39.62	3.91	8.86	156.69
Net Carrying amount as at March 31, 2024	30.55	103.40	9.73	4.63	-	148.32

Note. 2.25 Other Additional Information

	C/Y FY 2024-25	P/Y FY 2023-24
1 Contingent Liabilities		
In the opinion of Board of Director & best of their knowledge and belief, the company does not have any contingent liabilities.		
2 Commitments		
(i) Uncalled liability on partly paid up shares	NIL	NIL
(ii) Estimated amount of contracts remaining to be executed on capital accounts (Net of Advances)	NIL	NIL
(iii) Other Commitments (Investment in Zeacloud Services Private Limited to fund its working Capital)	1,000.00	250.00
3 All figures of the Financial Statements & Notes are shown in Rupees.		
4 Net Gain/(Loss) on Foregin Currency Transaltion	12.96	11.87
5 (a) CIF Value of Imported Goods		
` - Raw Material	2,722.75	1,746.92
6 Earning in Foreign Currency (in ₹)		
` - For Export of Goods	126.10	19.59
7 Expenditure in Foreign Currency	11.97	11.04
8 Director's Remuneration	88.20	72.00
9 Director Sitting Fees	5.44	6.40
10 In the opinion of Board of Director & best of their knowledge and belief, the provisions of all known liabilities are adequate.		
11 In the opinion of Board of Director current assets, loan & advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.		
12 As per information available with the company,no amount is due to any undertaking/enterprises covered under Micro, Small and Medium Enterprises Development Act,2006		
13 Auditors Remuneration		
Stat Audit	3.00	3.00
Tax Audit	1.00	1.00

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

14 Related Parties Disclosures

As per accounting standard – 18 issued by the Institute of Chartered Accountants of India, the company's related parties and transactions are disclosed below:

A) Name of the related parties and description of relationship

1. Key Management Personnel

Mr. Santosh Kumar Agrawal (Managing Director)
 Mr. Sunil Kumar Agrawal (Whole-Time Director)
 Mr. Mukesh Chand Jain (Independent Director)
 Mr. Gaurav Gupta (Independent Director)- Resigned
 Ms. Ashi Jain (Independent Director)
 Mr. Vineet Agrawal (Whole-Time Director)
 Mr. Manoj Chugh (Independent Director)
 Mr. Himanshu Purohit (Chief Financial Officer)- Resigned
 Mr. Keshav Pareek (Chief Financial Officer)
 Mr. Rajnish Pandey (Company Secretary)

2. Statutory Body

Zeacloud Services Private Limited (wholly owned subsidiary)
 Esconet Singapore Pte. Ltd (wholly owned subsidiary)

B) Transaction during the year and balances outstanding at the year end in respect of transaction entered into during the year with related parties:

S. No.	Name	Designation	Nature of Transaction	FY 2024-25	FY 2023-24
1	Mr. Santosh Kumar Agrawal	Managing Director	Remuneration	43.20	36.00
			Interest	4.60	11.86
			Rent	54.00	54.00
			Loan Outstanding	-	137.82
2	Mr. Sunil Kumar Agrawal	Whole-Time Director	Remuneration	43.20	36.00
			Interest	0.88	1.70
			Loan Outstanding	-	22.16
3	Mr. Mukesh Chand Jain	Independent Director	Sitting Fees	2.12	2.20
4	Ms. Ashi Jain	Independent Director	Sitting Fees	1.82	2.90
5	Mr. Gaurav Gupta	Independent Director	Sitting Fees	0.90	1.30
6	Mr. Manoj Chugh	Independent Director	Sitting Fees	0.60	-
7	Mr. Vineet Agrawal	Whole Time Director	Remuneration	1.8	-
8	Zeacloud Services Pvt. Ltd.	Sister Consern	Sale	512.25	199.09
9	Mr. Himanshu Purohit	Chief Financial Officer	Salary	2.75	5.59
10	Mr. Rajnish Pandey	Company Secretary	Salary	9.68	2.92
11	Mr. Keshav Pareek	Chief Fiancial Officer	Salary	16.88	-

15 Previous year figure have been regrouped/rearranged wherever necessary to render them comparable with current year figures.

16 DISCLOSURE FOR POST-EMPLOYMENT BENEFITS

(A) Defined Contribution Plans

The Company makes Provident Fund and Employees' State Insurance which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

	Year Ended as on 31-03-2025 (₹)	Year Ended as on 31-03-2024 (₹)
Contribution to ESIC	0.44	0.35
Contributions to Provident Fund	11.15	9.36
	11.59	9.71

(B) Defined Benefit Plan

The Company offers the following employee benefit schemes to its employee

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services is entitled to gratuity on terms as per the provisions of the Payment of Gratuity Act, 1972. The scheme is unfunded.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	Year Ended as on 31-03-2025 (₹)	Year Ended as on 31-03-2024 (₹)
(i) Change in Present Value of Defined Benefit Obligation		
Present value of Obligation at the beginning of the year	39.69	36.42
Liability Transfer In/(Out)		-
Interest cost	2.88	2.73
Past Service Cost		-
Current Service Cost	4.92	4.17
Curtailement Cost/(Credit)		-
Settlement Cost/(Credit)		-
Benefits paid	-4.15	-1.73
Actuarial (Gain)/Loss on obligations	-1.81	-1.89
Balance at the end of the year	41.52	39.69
(ii) Net Asset / (Liability) recognised in the Balance Sheet		
Present value of obligation as at the end of the year	41.52	39.69
Fair value of Plan Assets as at the end of the year	-	-
Funded status	-41.52	-39.69
Unrecognised Actuarial Gain / (Loss)		-
Net Asset / (Liability) recognised in the Balance Sheet	-41.52	-39.69
(iii) Expense recognised in the Statement of Profit and Loss		
Current service cost	4.92	4.17
Past service cost	-	-
Interest cost	2.88	2.73
Expected return on plan assets	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (Gain)/Loss recognised during the year	-1.81	-1.89
Total expense recognised in the Statement of Profit and Loss	5.98	5.01
(iv) Actuarial assumptions		
Discount rate	6.75 % per annum	7.25 % per annum
Rate of increase in Compensation levels	5.00% per annum	8.00% per annum
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Average future service (in Years)	23 Years	21.2 Years
Withdrawal / Attrition Rate	10% per annum	10% per annum
Mortality Rate	IALM 2012-14	IALM 2012-14

(Note: The above disclosures are based on the Actuarial Valuation report dated 3rd May 2025 by the approved Actuary valuer`s)

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

17 DISCLOSURE UNDER SECTION 16 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED)

Particulars	Year Ended as on 31-03-2025 (₹)	Year Ended as on 31-03-2024 (₹)
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
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 the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

(Note: Dues to Micro and Small Enterprises have been determined to the extent such vendors / parties, identified on the basis of declaration or MSME certificate provided by the vendors / parties)

18 Corporate Social Responsibility (CSR) Expenditure;

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Social Welfare, Health care and charitable Trust etc. As on 31st March 2025 No CSR committee has been formed by the company as per the Act the Company is not required to form an CSR committee if the CSR Spends are less than 50 Lakhs. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

		Amt in ₹ Lakhs	
Sr. No.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Amount required to be spent by the company during the year	8.41	Not Applicable
2	Amount actually Spend	8.41	
3	Opening surplus at the beginning of the year	Nil	
4	Surplus at the end of the year	Nil	
5	Shortfall at the end of the year	NA	
6	Total of previous years shortfall	NA	
7	Reason for shortfall	NA	
8	Nature of CSR activities	Social Care and Charitable Trust	

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

19 Details of IPO and Net IPO proceeds utilization :

- 1.) During the financial year ended 31st March 2025, the Company raised additional capital through a preferential allotment comprising:

- 7,34,000 equity shares of face value ₹10 each, issued at a price of ₹345 per share (including a premium of ₹335 per share), and
- 2,13,600 convertible warrants, each convertible into one equity share at an issue price of ₹345 per warrant.

The total amount raised from the preferential allotment aggregates to ₹32,69,22,000, assuming full conversion of the warrants and receipt of the corresponding funds from warrant holders.

- 2.) The Company has received an amount of ₹ 28,22,40,000 from proceeds of fresh issue of equity shares. The utilization of net IPO Proceeds is summarized as below:

Objects of the issue	Amount Received from IPO (₹)	Utilized upto 31st March, 2025 (₹)	Unutilized upto 31st March, 2025 (₹)
Working Capital	1,600.00	1,600.00	-
Investment in wholly owned subsidiary company Zeacloud Services Pvt. Ltd., to fund its capital expenditure	250.00	250.00	-
General Corporate Purpose	542.62	542.62	-
Issue related expense for IPO	429.78	429.78	-
	2,822.40	2,822.40	-

- 3.) The Company has received an amount of ₹ 32,69,22,000 from proceeds of preferential allotment of equity shares and Warrants Convertible into equity.

The utilization of net Proceeds is summarized as below (assuming full conversion of Convertible Warrants):

Objects of the issue	Amount Received from Preferential Allotment (assuming fully conversion of warrants) (₹in lakhs)	Utilized upto 31st March, 2025 (₹in lakhs)	Unutilized upto 31st March, 2025 (₹in lakhs)
To infuse funds in Wholly owned Subsidiary i.e., Zeacloud Services Private Limited for its business expansion purpose	1,250.00	250.00	1,000.00
Additional Working Capital i.e. Esconet Technologies Limited	1,000.00	-	1,000.00
Repayment of Loan against the Company	400.00	247.95	152.05
General corporate purposes including issues related expenses	619.22	231.46	387.76
TOTAL	3,269.22	729.41	2,539.81

Note 1: Esconet Technologies Limited has utilized a portion of the proceeds for working capital requirements. The remaining unutilized amount is expected to be deployed shortly, in line with the intended purposes outlined in the offer document circulated.

Note 2: The proposed investment in Zeacloud Services Private Limited, a wholly owned subsidiary, for its capital expenditure and business expansion will be made progressively, either through loans or further equity infusion. As of 31st March 2025, ₹2.50 crores has been infused in form of Equity, and the balance amount is currently retained by Esconet Technologies Limited, to be deployed as per the requirements of the subsidiary.

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

20 Ratio Analysis

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio (in times)	Current Assets	Current Liabilities	2.38	2.15	10.69%	Due to preferential Allotment.
Debt Equity Ratio (in times)	Total Debts (Short-Term Debt + Long Term Debt)	Shareholders Fund (Share Capital + Reserve & Surplus)	0.01	0.14	-94.60%	Due to issue of shares during the year and corresponding repayment of debts along with increase in retain earnings.
Debt service coverage Ratio	Earning Available for Debt Service (EBITDA)	Debt Service (Finance Costs + Repayment of Debt)	1.94	1.01	91.64%	Improvement in companies ability to meet its debt obligation due to increase in net operating income.
Return on Equity (in %)	(Net Profit After tax - Preference Dividend)	Shareholders Fund (Share Capital + Reserve & Surplus)	0.39	0.25	55.94%	Though companies net profit have increased year on year basis but companies has issued shares during the year.
Inventory Turnover Ratio (in times)	Sales	Average Inventory	13.56	12.04	12.60%	---
Trade Receivable Turnover Ratio (in times)	Net Credit Sales (Total Credit Sales - Sales Return)	Average Accounts Receivable	4.90	5.38	-9.00%	Due to increase in credit sales and extended credit terms to certain customers
Trade Payable turnover Ratio (in times)	Net Credit Purchase (Total Credit Purchase - Purchase Return)	Average Accounts Payables	5.61	5.94	-5.48%	---
Net Working Capital Turnover Ratio	Revenue from Operations	Working Capital (Current Assets - Current Laibilites)	3.60	3.67	-1.80%	Due to increase in current asset because of IPO proceeds.
Net Profit Ratio (in %)	Net Profit	Net Sales	3.06%	3.85%	-20.60%	---
Return on Capital Employed (in %)	EBIT	Capital Employed	14.35%	23.18%	-38.08%	Due to increase in capital employed because of IPO proceeds
Return on Investment	Income/ Profit from Investment	Cost of Invested Fund	0.05	0.01	518.70%	---

21 Additional Regulatory Information

- (i) Title deeds of Immovable Property owned by the company are jointly held with others and company shares is in the name of the company.
- (ii) There is no any Proceeding have been initiated or pending on or against of the company for holding any benami Property under the Benami Transaction(Prohibition) Act, 1988 (section 45 of 1988) and the rules made thereunder.
- (iii) The Company have Short-Term Borrowing from Bank on the basis of security of Current Assets and collaterally secured by Commercial Property & personal Guarantee of Directors. Also, Company file monthly statements as per terms specified by the bank.

Notes to the Financial Statements

for the period ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

- (iv) The company have not been declared a wilful defaulter by bank, financial institution or other lenders.
- (v) The Company does not have any transaction with "the Companies struck off under section 248 of the companies Act 2013 or Section" 560 of Companies Act 1956.
- (vi) There is no charge or modification yet to be registered with the Registrar of the companies beyond the statutory period.
- (vii) Company does not have traded or invested in crypto Currency or Virtual Currency during the financial Year.

22 Others

- (i) There are no funds that 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) There have been no funds that have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

For **Ms Goel Mintri & Associates**
CHARTERED ACCOUNTANTS
(FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
(Director)
DIN NO.-00493749

Sunil Kumar Agrawal
(Director)
DIN NO.-00493820

GOPAL DUTT

Partner
Membership No. 520858
Place : New Delhi
UDIN: 25520858BMIDSA8828
Date : 28.05.2025

Keshav Pareek
(Chief Financial Officer)

Rajnish Pandey
(Company Secretary)

Independent Auditor's Report

TO THE MEMBERS OF
ESCONET TECHNOLOGIES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENT

Opinion

We have audited the accompanying Consolidated Financial Statements of **M/s Esconet Technologies Limited** (hereinafter referred to as the Parent Company) and its subsidiary **M/s Zeacloud Services Private Limited** and **Esconet Singapore PTE. LTD** (the Parent Company and its subsidiary together referred to as “the Group”) which comprise Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss, including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity 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, the aforesaid consolidated financial statements give the information required by 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 consolidated affairs of the Company as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and statement of changes in equity 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 specified under section 143(10) of the Act (SAs). 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 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 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 Consolidated Financial Statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including other total comprehensive income, changes in equity and consolidated cash flows of the group in accordance with accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement 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 Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility

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.
- 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 Group'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 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.

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.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

Name of The Company	CIN/UEN	Relation
M/s Zeacloud Services Private Limited	U72900UP2022PTC163967	wholly owned subsidiary
Esconet Singapore PTE. LTD	202438165N	Foreign wholly owned subsidiary

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 of the aforesaid Consolidated Financial Statements;
- b) In our opinion, proper books of account as required by law have been kept by the Group so far as appears from our examination of those books and records.
- c) The Consolidated Balance sheet, the Consolidated Statement of Profit & Loss including the Statement of Other Comprehensive Income, the Consolidated

Cash Flow Statement and Consolidated Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of companies as on 31 March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to these Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**” which is based on the auditors’ reports of the Parent Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our knowledge and according to the explanations given to us by the management of parent and subsidiary company, “the provisions contained under Section 197 of the Companies Act, 2013, read with Schedule V and the Rules framed thereunder, state that the maximum limit of managerial remuneration is not applicable to a private company and since, at the time when the remuneration was approved by the Board and paid, the parent company was a private company and converted on and when a private company converts to a public company, there is no stipulations or requirement for re-approval of shareholders regarding managerial remuneration approved during its private company status”. Therefore, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- 1) The Group does not have any pending litigations which would impact its financial position;
- 2) The Group did not have any long-term contracts including derivatives contracts

for which there were any material foreseeable losses.

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

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

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

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- 5) No dividend declared or paid during the period by the Group.
- 6) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during

the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Goel Mintri & Associates
Chartered Accountants
(Firm Reg. No. 013211N)

Gopal Dutt
(Partner)
M.No.520858

Place: New Delhi
Date: 28/05/2025
UDIN: 25520858BMIDSC6585

Annexure “A” to the Independent Auditor’s Report of even date on Consolidated Financial Statements as at and year ended 31st March 2025 Of Esconet Technologies Limited.

We report that

According to the information and explanations given to us, in respect of the company incorporated in India and included in the consolidated financial statements, no qualification or adverse remarks given in CARO report issued by their statutory auditor.

For **Goel Mintri & Associates**

Chartered Accountants
(Firm Reg. No. 013211N)

Gopal Dutt

(Partner)
M.No.520858

Place: New Delhi
Date: 28/05/2025
UDIN: 25520858BMIDSC6585

“Annexure – B” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of Esconet Technologies Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated Financial Statements of **“M/s Esconet Technologies Limited”** (hereinafter referred to as “the Parent Company”) as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Parent Company and its subsidiary “M/s Zeacloud Services Private Limited” (the Parent Company and its subsidiary together referred to as “the Group”) which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, and its subsidiary, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Parent Company and its subsidiary, internal financial controls with reference to these Consolidated 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 specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

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 these Consolidated 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 with reference to these 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 these Consolidated 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 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 with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company’s internal financial control reference to these Consolidated Financial Statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to these 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 these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control 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, to the best of our information and according to the explanations given to us the Parent Company and its subsidiary, which are incorporated in India, have, maintained in all material respects, an adequate internal financial controls with reference to these Consolidated Financial Statements and such internal financial controls

with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Parent Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls stated in the Guidance Note issued by the ICAI.

For **Goel Mintri & Associates**
Chartered Accountants
(Firm Reg. No. 013211N)

Gopal Dutt
(Partner)
M.No.520858

Place: New Delhi
Date: 28/05/2025
UDIN: 25520858BMIDSC6585

Consolidated Statement of Balance Sheet

as at 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Particulars	Note No	Figures As At 31st, March 2025 (INR)	Figures As At 31st, March 2024 (INR)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	1,309.40	1,236.00
(b) Reserves and Surplus	2.2	5,515.92	2,453.46
(c) Money received against Convertible Share Warrants		184.23	
(2) Non-Current Liabilities			
(a) Long-term Borrowings	2.3	42.52	231.10
(b) Long-term Provisions	2.4	41.52	39.69
(3) Current Liabilities			
(a) Short-term borrowings	2.5	10.49	292.91
(b) Trade payables	2.6		
Total outstanding dues of micro enterprises and small enterprises			-
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,133.58	2,908.07
(c) Other current liabilities	2.7	179.25	155.42
(d) Short-term provisions	2.8	270.00	194.42
Total		11,686.90	7,511.08
II. Assets			
(1) Non-current assets			
(a) Property, Plant & Equipments and Intangible Assets			
(i) Tangible assets	2.9	475.24	270.77
(b) Deferred Tax Assets (Net)	2.10	14.22	15.60
(c) Non-Current Investments	2.11	-	-
(2) Current assets			
(a) Inventories (At Cost)	2.12	1,894.21	1,426.90
(b) Trade receivables	2.13	5,255.06	3,731.66
(c) Cash and cash equivalents	2.14	3,589.03	1,674.11
(d) Short-term loans and advances	2.15	18.00	35.21
(e) Other current assets	2.16	441.15	356.83
Total		11,686.90	7,511.08

The accompanying notes 1 to 2.25 are as an integral part of the financial statements Subject to our report of even date

For **Ms Goel Mintri & Associates**
CHARTERED ACCOUNTANTS
(FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
(Director)
DIN NO.-00493749

Sunil Kumar Agrawal
(Director)
DIN NO.-00493820

GOPAL DUTT
Partner
Membership No. 520858
Place : New Delhi
UDIN: 25520858BMIDSA8828
Date : 28.05.2025

Keshav Pareek
(Chief Financial Officer)

Rajnish Pandey
(Company Secretary)

Consolidated Statement of Profit & Loss

for the Year ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Particulars	Note No	Figures for the year ended 31st, March 2025	Figures for the year ended 31st, March 2024
I. Revenue from operations	2.17	23,029.80	14,054.99
II. Other Income	2.18	295.29	24.76
III. Total Income (I +II)		23,325.09	14,079.75
IV. Expenses:			
Purchases	2.19	19,988.85	11,790.53
Change in Inventories	2.20	(467.31)	-569.94
Employee benefit expense	2.21	557.04	489.36
Financial costs	2.22	81.53	178.29
Depreciation and amortization expense	2.9	161.21	99.13
Other expenses	2.23	1,941.62	1,348.04
Total Expenses		22,262.95	13,335.41
V. Profit before prior period items, exceptional items, extraordinary items and tax (III - IV)		1,062.14	744.34
VI. Exceptional & Extraordinary Items		-	-
VII. Profit before tax (V - VI)		1,062.14	744.34
VIII. Tax expense:			
(1) Current tax		270.00	194.42
(2) Deferred tax		1.38	6.87
(3) Earlier Year Taxes		(8.95)	-
IX. Profit for the period (VII - VIII)		799.71	543.05
X. Earning per equity share:	2.24		
(1) Basic		6.11	5.99
(2) Diluted		6.31	5.99

The accompanying notes 1 to 2.25 are as an integral part of the financial statements Subject to our report of even date

For **Ms Goel Mintri & Associates**
 CHARTERED ACCOUNTANTS
 (FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
 (Director)
 DIN NO.-00493749

Sunil Kumar Agrawal
 (Director)
 DIN NO.-00493820

GOPAL DUTT

Partner
 Membership No. 520858
 Place : New Delhi
 UDIN: 25520858BMIDSA8828
 Date : 28.05.2025

Keshav Pareek
 (Chief Financial Officer)

Rajnish Pandey
 (Company Secretary)

Consolidated Statement of Cash Flows

for the Year ended as on 31st March, 2025

(All amounts in Lakhs, except share data and otherwise stated)

Particulars	2024-25	2023-24
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit & Loss Account	1,062.14	744.34
Adjustments for:		
Depreciation	161.21	99.13
Profit on disposal of Assets	-	(4.78)
Interest/ Other Income	(108.19)	(11.84)
Interest & Financial Charges	81.53	178.29
Operating Profit before Working Capital Changes	1,196.69	1,005.14
Adjustments for:		
(Increase)/ Decrease in Current Assets		
Inventories	(467.31)	(569.94)
Trade Receivable	(1,523.40)	(2,439.02)
Short Term Loans & Advances	17.22	(15.01)
Other Current Assets	(84.32)	170.89
Increase/ (Decrease) in Current Liabilities		
Trade Payables	1,225.52	1,754.29
Other Current Liabilities	23.83	92.29
Provisions	75.58	60.82
Cash Generated from Operations	463.81	59.45
Income Tax Adjustment/ Paid	(261.06)	(194.42)
Net Cash from Operating Activities	202.75	(134.97)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(365.69)	(211.95)
Interest and other income	108.19	11.84
Non current Investments	-	-
Sale/Adjustment of Fixed Assets	-	69.91
Net Cash Used in Investing Activities	(257.50)	(130.20)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Acquisition/(Repayment) of Long Term Borrowings	(188.59)	(87.81)
Proceeds from Issue of Equity Shares	2,520.38	2,558.77
Change in Long Term Provisions	1.83	3.28
Acquisition/(Repayment) of Short Term Borrowings	(282.43)	(492.07)
Finance Cost	(81.53)	(178.29)
Net Cash from Financing Activities	1,969.66	1,803.88
Net Increase/ (Decrease) in Cash & Cash Equivalents	1,914.92	1,538.71
Opening Balance of Cash & Cash Equivalents	1,674.11	135.40
Closing Balance of Cash & Cash Equivalents	3,589.03	1,674.11

The accompanying notes 1 to 2.25 are as an integral part of the financial statements Subject to our report of even date

For **Ms Goel Mintri & Associates**
 CHARTERED ACCOUNTANTS
 (FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
 (Director)
 DIN NO.-00493749

Sunil Kumar Agrawal
 (Director)
 DIN NO.-00493820

GOPAL DUTT

Partner
 Membership No. 520858
 Place : New Delhi
 UDIN: 25520858BMIDSA8828
 Date : 28.05.2025

Keshav Pareek
 (Chief Financial Officer)

Rajnish Pandey
 (Company Secretary)

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

1 CORPORATE INFORMATION:

Esconet Technologies Limited is now a "Public" company domiciled in India and incorporated on 30th day of March, 2012 under provisions of the Companies Act, 1956 applicable in India.

The Company has converted into a Public Limited Company and Consequently, the name of the company has been changed from "Esconet Technologies Private Limited" to "Esconet Technologies Limited" in Extra-Ordinary General Meeting dated 9th day of August of 2023.

The Company have authorized share Capital of ₹ 15,00,00,000/- divided into 1,50,00,000 Equity shares having face value of ₹ 10/- each and paid-up share Capital of ₹ 13,09,40,000/- divided into 1,30,94,000 Equity shares of ₹ 10/- each.

The ISIN and the Scrip code of the company are "INE0RQZ01017" and "ESCONET" respectively. The Company got listed on NSE SME exchange on 23rd day of February, 2024.

The registered office of the Company is situated at D-147 Okhla Industrial Area Phase 1, South Delhi, New Delhi, Delhi, India, 110020

Esconet Technologies Limited", a Company which is engaged in the business of trading of Information Technology (IT) products including servers, workstation, related IT peripherals and IT enabled services.

1.1 SIGNIFICANT ACCOUNTING POLICIES:

The Financial statements have been prepared using the Significant Accounting Policies and Measurement bases summarized below:

- **Basis Of Accounting And Preparation Of Financial Statements**

The financial statements of the Company have been prepared on Going Concern basis in accordance with the accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost convention on the accrual basis.

These financial statements have been prepared to comply in all material aspects with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 (the "Act") read with rules under the Companies (Accounts) Rules, 2021 (amended) and other relevant provisions of the Companies Act, 2013.

The financial statements are presented in Indian Rupees(₹) which is also the functional currency of the Company.

- **Use of Estimates**

The Preparation of Financial Statements in conformity with Indian generally accepted accounting principles (IGAAP) requires the management to make estimates and assumptions that effect the reported amount of Assets and Liabilities (including the disclosure of contingent liabilities) at the date of the Financial Statements and the results of operation of during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

- **Revenue Recognition**

- (a) Revenue from sales of goods are recognised when all significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be realized from the sale of goods. Sale are recognised, net of returns and trade discounts.
- (b) Revenue from services are recognized on achievement of performance on the basis of completed service contract method.
- (c) Interest income are recognised on accrual basis.

- **Property, Plant & Equipments**

Property, plant & equipment are carried at cost of acquisition/construction including import duties & non-refundable purchase taxes (after deducting trade discounts and rebates) and other incidental expenses directly attributable to bringing the asset to location and condition necessary for it to be capable of operating in the manner intended by the management, as the case may be, less accumulated depreciation, amortisation and impairment as necessary.

- **Intangible Assets**

The company does not any intangible asset during the current financial year.

- **Depreciation and Amortization**

Depreciation on property, plant & equipments has been charged on written down value method in accordance with useful lives and rates specified in Schedule II of the "Companies Act, 2013". Depreciation on Assets purchase or sold during the year is taken on prorata basis.

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

● Foreign Currency Transactions & Translations

- (i) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Gain/loss arising out of fluctuation rate between transaction date and settlement date in respect of revenue items is recognized in the profit & loss account and in case of other assets, is recognized to the carrying cost of respective assets.
- (ii) Foreign currency monetary items as on the date of balance sheet are translated at the exchange rate prevailing on the date of balance sheet. The resulting exchange difference, if any except on account on property, plant & equipment, is charged to the revenue account.

● Purchase

The costs of purchase consist of the purchase price including duties & taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to bringing the inventory to the present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

● Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Further, the company follows First In First Out system of accounting for stock in trade.

● Investments

Investments that are intended to be held for more than an year, from the date of acquisition, are classified as long-term investments and are carried at cost. However, provision for diminution in value of investments is made to recognise a decline, other than temporary, in the value of the investments. Current investments not intended to be held for a period more than one year, are stated at lower of cost and fair value.

● Earnings per share

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

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

● Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets up to the date when such assets are ready for its intended use. All other borrowing costs are recognised in profit and loss in the period in which they are incurred. Borrowing costs includes interest, ancillary costs incurred in connection with the arrangement of the borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

● Employee Benefits

(a) Defined Contribution Plan:

The Company's Contribution towards Provident Fund, State Insurance Fund and other Funds are considered as Defined Contribution Plan and are charged as an expenses to the Statement of Profit and Loss statement when it falls due based on the amount of Contribution required to made for the reporting period. There is no other obligation other than the contribution payable to the respective funds.

(b) Defined Benefit Plan:

Defined benefit plan of bonus and leave encashment are provided as expense on the basis of payment and gratuity is calculated as per Payment of Gratuity Act, 1972.

● Tax Expenses

- a) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Provision for current tax are measured on the basis of the assessable income at the tax rates and tax laws are enacted on the balance sheet date.
- b) Deferred tax is recognized on timing differences, being the differences between the

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

- c) Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation or carried forward losses are recognised, if there is virtual certainty that there will be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets are reviewed at each Balance Sheet date for their reliability

● Provisions, contingent liabilities and contingent assets

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events, for which a reliable estimate can be made and it is probable that there will be an outflow of resources. Provision is not discounted to its present value and is determined based on the best estimate required to settle an obligation at the year end. These are reviewed every year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but are disclosed in the Notes to Accounts of the Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

● Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

● Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of 12 months or less.

● Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and noncurrent liabilities, as the case may be

● Segment Reporting

Company operates in a single reportable operating segment. Hence there are no separate reportable segments.

For **Ms Goel Mintri & Associates**
CHARTERED ACCOUNTANTS
(FR No. 013211N)

For and on behalf of the Board of Company

Santosh Kumar Agrawal
(Director)
DIN NO.-00493749

Sunil Kumar Agrawal
(Director)
DIN NO.-00493820

GOPAL DUTT

Partner
Membership No. 520858
Place : New Delhi
UDIN: 25520858BMIDSA8828
Date : 28.05.2025

Keshav Pareek
(Chief Financial Officer)

Rajnish Pandey
(Company Secretary)

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

Note No	Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
2.1	Share Capital		
	Equity Share Capital		
	Authorised Share capital		
	1,50,00,000 Equity Shares of 10/- each	1,500.00	100.00
	ADD: Increase in Authorised Share Capital during the year		
		-	1,400.00
	Total	1,500.00	1,500.00
	Issued, subscribed & fully paid share capital		
	1,23,60,000 Equity Shares of ₹ 10/- each	1,236.00	76.71
	ADD: Increase in Subscribed Share Capital during the year		
	7,34,000 Equity Shares of 10/- each	73.40	1,159.29
	Total	1,309.40	1,236.00

TERM/RIGHTS ATTACHED TO EQUITY SHARES

The Company also allotted 2,13,600 convertible warrants, each convertible into one equity share of face value ₹ 10 at an offer price of ₹ 345 per warrant, against which 25% of the total consideration was received upfront as application and allotment money and expiry date of the offer is 23rd April 2026. The amount received against share warrants has been recorded under Shareholder's Fund as per schedule iii of the Companies Act 2013.

The Company has only one class of equity shares having a par value of ₹ 10 per share. Holder of each equity share is entitled to one vote. The Company declares and pays dividends in Indian Rupees (If any). The dividend proposed by the board of directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of Number of Shares at the beginning and at the end of the period

Particulars	No. of Shares	No. of Shares
Equity Shares		
At the beginning of the year	1,23,60,000	7,67,100
Add: Issued during the year	7,34,000.00	1,15,92,900
At the end of the year	1,30,94,000	1,23,60,000

Detail of Shares held by Shareholders holding 5% or more of aggregate shares in the company

Name of Shareholder	As on 31st March, 2025		As on 31st March, 2024	
	No. of Share Held	% of Holding	No. of Share Held	% of Holding
Santosh Kumar Agrawal	42,36,100	32.35%	42,36,100	34.27%
Sunil Kumar Agrawal	31,00,823	23.68%	31,00,823	25.09%

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

Shares held by promoters at the end of the year

Promoter name	As on 31st March, 2025		As on 31st March, 2024	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Santosh Kumar Agrawal	42,36,100	32.35%	42,36,100	34.27%
Sunil Kumar Agrawal	31,00,823	23.68%	31,00,823	25.09%
Anil Kumar Agrawal	2,75,000	2.10%	2,75,000	2.22%
Abha Agrawal	1,76,000	1.34%	1,76,000	1.42%
Savitri Devi Agrawal	1,10,000	0.84%	1,10,000	0.89%
Vineet Agrawal	88,473	0.68%	88,473	0.72%
Pooja Gupta	30,000	0.23%	30,000	0.24%
Monita Agrawal	6,500	0.05%	6,500	0.05%
Shubhangi Agrawal	3,300	0.03%	3,300	0.03%
Total	80,26,196.00	61.30%	80,26,196	64.94%

2.2	Reserves and Surplus	Amount as on 31.03.2025	Amount as on 31.03.2024
	(a) Securities Premium Reserve		
	Opening Balance	1,433.91	-
	Add : Securities premium credited on Share issue	2,458.90	2,604.99
	Less : Issue of Bonus Shares (7778230 shares in ratio of 10:1)	-	777.82
	Less : Share Issue Expenses	196.15	393.26
	Closing Balance	3,696.65	1,433.91
	(b) Surplus in the statement of profit and loss		
	Balance as per last financial Statements	1,010.67	476.51
	Add: Profit/(Loss) for the year	799.71	534.16
	Closing Balance	1,810.37	1,010.67
	(c) Capital Reserve	8.89	8.89
	Total	5,515.92	2,453.46

2.3	Long-term borrowings*	Amount as on 31.03.2025	Amount as on 31.03.2024
	Secured		
	(a) Loan From Bank		
	ICICI BANK (Creta Car Loan)	-	2.57
	ICICI LOAN (ECLGS)	-	6.61
	Federal Bank (Car Loan)	-	11.51
	ICICI bank (Venue Car Loan)	1.87	6.08
	BMW Financial Service (Car Loan)	40.65	44.36
	Unsecured		
	(a) Loan from Directors		
	Santosh Kumar Agrawal	-	137.82
	Sunil Kumar Agrawal	-	22.16
	Total	42.52	231.10

*Term & Conditions

- Car Loans from ICICI bank is secured against Hypothecation of Cars.
Loans have been taken for the period of 36 months.
- Car Loans from Federal bank is secured against Hypothecation of Car.
Loans have been taken for the period of 60 Months

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

c) Car Loans from BMW Financial Service is secured against Hypothecation of Car.

Loans have been taken for the period of 60 Months

d) No terms and Condition has been Stipulated for repayment of Unsecured Loan.

2.4	Long-term provisions	Amount as on 31.03.2025	Amount as on 31.03.2024
	Gratuity Payable	41.52	39.69
	Total	41.52	39.69

2.5	Short-terms borrowings	Amount as on 31.03.2025	Amount as on 31.03.2024
	Secured		
	(a) Current Maturity of Long Term borrowings from Banks		
	ICICI BANK (Creta Car Loan)	2.57	4.13
	ICICI bank (Venue Car Loan)	4.21	3.85
	Federal Bank	-	5.44
	BMW Financial Service (Car Loan)	3.71	3.35
	ICICI Bank Ltd. (Cash Credit A/c)	-	-
	(a) Current Maturity of Long Term borrowings from others		
	Bear Bull Distributers Pvt Ltd	-	150.00
	Siemens Factring Private Ltd.	-	126.57
	Hero Fincorp	-	-0.42
	Total	10.49	292.91

*Terms & Conditions

a) Loans from Siemens Factoring Private Limited is taken for a period of 24 months.

b) Loan from ICICI Bank is secured against Stock, Debtors and Land & Building situated at Bilaspur (Chattisgarh) of Directors as the collateral security and also the Personal Guarantee of Directors.

2.6	Trade Payables*	Amount as on 31.03.2025	Amount as on 31.03.2024
	MSME		
	NON MSME	4,133.58	4,133.58
	* For detailed ageing see note 2.6.1		
	Total	4,133.58	4,133.58

2.7	Other current liabilities	Amount as on 31.03.2025	Amount as on 31.03.2024
	(a) Current Maturity of Long Term borrowings		
	TDS and TCS Payable	95.50	64.99
	GST Payable	0.78	1.72
	Bonus Payable	8.65	6.05
	Salary Payable	1.18	32.87
	Directors Remuneration payable	0.75	3.25
	Provident Fund Payable	-	1.54
	ESIC Payable	0.04	0.02
	Interest Payable	-	-
	Auditor Expenses Payable	3.38	3.15
	Other Expenses Payable	32.94	-

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

2.7	Other current liabilities	Amount as on 31.03.2025	Amount as on 31.03.2024
	Expenses Payable(Employee)	1.64	1.89
	Refundable Deposit	24.95	
	Advance From Customer	9.44	25.97
	Expenses Payable(IPO)	-	13.98
	Total	179.25	155.42

2.8	Short-term provisions	Amount as on 31.03.2025	Amount as on 31.03.2024
	Provision for Income Tax	270.00	194.42
	Total	270.00	194.42

2.10	Deferred Tax Assets	Amount as on 31.03.2025	Amount as on 31.03.2024
	(a) Deferred Tax relating to Assets		
	W.D.V as per Companies Act	475.24	270.77
	W.D.V as per Income Tax Act	525.92	327.56
	Timing Difference	50.68	56.79
	Deferred Tax Assets/(Liability) (A)	12.75	14.29
	(b) Deferred Tax relating to Others		
	Gratuity Payable	5.98	5.01
	Business Loss	-	-
	Pre Incorporation Expense as per Income Tax Act 35D	0.17	0.17
	Unabsorb depreciation	5.81	-
	Timing Difference	1.46	5.17
	Deferred Tax Assets/(Liability) (B)	14.22	1.30
	(c) Total Deferred Tax Assets/(Liability) (A + B)	14.22	15.60
	Less: Opening balance of Deferred tax assets/(liability)	15.60	22.46
	Provision Created during the year T/f to P & L A/c	-1.38	-6.87

2.11	Non-Current Investments	Amount as on 31.03.2025	Amount as on 31.03.2024
	Investments	-	-
	Total	-	-

2.12	Inventories (At Cost)	Amount as on 31.03.2025	Amount as on 31.03.2024
	Inventories	1,894.21	1,426.90
	Total	1,894.21	1,426.90

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

2.13	Trade Receivables	Amount as on 31.03.2025	Amount as on 31.03.2024
	(Unsecured, Considered Good)		
	More than six months	673.47	134.68
	Less than six months	4,567.63	3,583.02
	(Disputed, Considered Good)		
	More than six months	13.96	13.96
	Less than six months	-	-
	* For detailed ageing see note 2.13.1		
	Total	5,255.06	3,731.66

2.14	Cash & Cash Equivalents	Amount as on 31.03.2025	Amount as on 31.03.2024
	Cash on Hand	0.99	0.88
	Balance with Banks		-
	ICICI Bank (Current A/C)	194.57	29.03
	EMD with Customers	59.07	30.21
	FDR with ICICI Bank	2,177.13	1,301.81
	ICICI Bank (135413000046)	5.00	4.15
	Kotak Mahindra Bank Ltd (IPO A/C)	-	18.35
	Kotak Mahindra Bank Ltd (IPO A/C)	894.13	289.68
	ICICI Bank (135405004429)	251.64	-
	Total	3,582.53	1,674.11

2.15	Short term loans and advances	Amount as on 31.03.2025	Amount as on 31.03.2024
	Unsecured - Considered Good		
	Advances to Staff	3.51	5.85
	Advances to Suppliers	14.49	29.36
	Total	18.00	35.21

2.16	Other Current Assets	Amount as on 31.03.2025	Amount as on 31.03.2024
	GST Input	163.33	52.78
	TDS Receivable	222.79	259.65
	TCS Receivable	0.13	0.78
	Other Deposit(TDS)	-	0.52
	Prepaid expenses	33.14	11.72
	Other Deposit	12.50	28.22
	Other Deposit(Rent)	9.22	3.12
	Other Deposit(Caution Money Deposit with GEM)	0.05	0.05
	Total	441.15	356.83

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

2.17	Revenue from Operations	Amount as on 31.03.2025	Amount as on 31.03.2024
	Sales of IT Product and Services	23,604.43	12,163.77
	Other Operating Revenue		
	Service Charges*	-574.62	1,891.22
	*(The company had provided services to some parties and subsequently reversed them due to deficiency of services during the year. As a result, the service charge balance reflects a negative balance.)		
	Total	23,029.80	14,054.99
2.18	Other Income	Amount as on 31.03.2025	Amount as on 31.03.2024
	Interest on Income Tax Refund	0.41	0.27
	Other Income	186.69	8.14
	Interest on FDR Deposit	108.19	11.57
	Profit on sale of Fixed Assets	-	4.78
	Total	295.29	24.76
2.19	Purchases	Amount as on 31.03.2025	Amount as on 31.03.2024
	Purchases of IT Product and Services	19,988.85	11,790.53
	Total	19,988.85	11,790.53
2.20	Change in Inventories	Amount as on 31.03.2025	Amount as on 31.03.2024
	Opening Stock	1,426.90	856.96
	Less: Closing Stock	1,894.21	1,426.90
	Total	(467.31)	-569.94
2.21	Employee Benefit Expenses	Amount as on 31.03.2025	Amount as on 31.03.2024
	Salaries to Staff	411.43	347.44
	H.R.A to Staff	73.19	69.38
	Incentive to Staff	9.16	33.20
	Employer Cont. to Provident Fund	11.15	9.36
	Bonus	10.35	6.05
	Gratuity	5.98	5.01
	ESIC	0.44	0.35
	Leave In cash	0.46	0.19
	Staff welfare expenses	34.88	18.38
	Total	557.04	489.36

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

2.22	Finance Costs	Amount as on 31.03.2025	Amount as on 31.03.2024
	Bank Charges	41.09	21.24
	Bank Interest on CC A/c	6.32	42.92
	Interest on Loans	32.50	95.69
	Interest on Statutory Dues	0.46	7.25
	Interest on Delay Payment to Parties	1.15	11.18
	Total	81.53	178.29

2.23	Other Expenses	Amount as on 31.03.2025	Amount as on 31.03.2024
	Service Charges	850.48	666.76
	Advertisement Expenses	3.84	10.99
	Auditors's Remuneration	4.75	4.80
	Additional Demand Govt. Dues	0.22	0.05
	Balance Written off	13.95	3.55
	Charity & Donation	5.43	0.35
	CSR Expense	8.41	
	Commision Expenses	36.45	49.03
	Computer Maintenance	32.87	21.80
	Conveyance Expenses	5.50	4.41
	Conference & Exhibition	54.77	40.67
	Directors Remuneration	96.20	84.00
	Electricity Expenses	12.08	9.61
	Freight Charges	47.20	40.80
	Insurance	28.86	18.67
	Legal & Professional Charges	53.52	35.50
	Liquidated Damages	2.54	16.73
	Membership Expenses	20.37	8.29
	Miscellaneous Expenses	0.57	0.48
	Office Maintenance	14.22	5.07
	Packing Expenses	3.54	2.14
	Printing & Stationary	1.46	2.46
	Rent	95.91	55.12
	Repair & Maintenance	4.21	0.48
	Sales Promotion	57.14	32.85
	Sales and Marketing Expenditure	333.04	149.08
	Security Charges	9.43	4.52
	Sitting Fees	5.44	6.40
	Telephone Expenses	8.77	9.94
	Tender Expense	23.01	20.19
	Tour & Travelling Expenses	74.17	27.37
	Vehicle Runing & Maintanace Exp.	18.14	15.97
	Website Expenses	15.15	-
	Total	1,941.62	1,348.04

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

2.24	Earning Per Share	Amount as on 31.03.2025	Amount as on 31.03.2024
	Basic & Diluted		-
	Net Profit for the year attributable to	799.71	529.95
	Equity Shares (In numbers)	1,30,94,000	1,23,60,000
	Weighted Average Number of Equity Shares (In numbers)	1,26,79,742	90,67,862
	Par Value Per Share	10	10.00
	Earnings Per Share (Basic)	6.11	5.99
	Earnings Per Share (Diluted)	6.31	5.99

2.6.1 Trade Payables

As on 31st March, 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	4,121.59	0.75	-	11.25	4,133.58
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
Total	4,121.59	0.75	-	11.25	4,133.58

As on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2,896.07	0.75	-	11.25	2,908.07
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
Total	2,896.07	0.75	-	11.25	2,908.07

2.13.1 Trade Receivables

As on 31st March, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	4,567.63	568.90	4.45	1.01	99.11	5,241.10
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	13.96	13.96
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	4,567.63	568.90	4.45	1.01	113.07	5,255.06

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

As on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	3,583.02	31.79	11.70	-	91.19	3,717.70
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	13.96	13.96
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	3,583.02	31.79	11.70	-	105.15	3,731.66

Note-2.9 Property, Plant and Equipment

Description	Computer Equipment	Vehicles	Office Equipments	Furnitures and Fixtures	Building-Temporary Structure	Total
Cost as at April 1, 2024	318.72	192.47	31.28	8.88	-	551.35
Additions	282.19	22.02	46.71	0.91	13.85	365.69
Disposals	-	-	-	-	-	-
Cost as at March 31, 2025	600.91	214.49	77.99	9.79	13.85	917.03
Accumulated depreciation as at April 1, 2024	165.72	89.06	21.55	4.25	-	280.58
Depreciation for the year	100.99	36.77	16.82	1.64	4.99	161.21
Disposals	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	266.71	125.83	38.37	5.89	4.99	441.79
Net Carrying amount as at March 31, 2025	334.20	88.65	39.62	3.91	8.86	475.24
Net Carrying amount as at March 31, 2024	153.01	103.40	9.73	4.63	-	270.77

Note. 2.25 Other Additional Information

	C/Y FY 2024-25	P/Y FY 2023-24
1 Contingent Liabilities		
In the opinion of Board of Director & best of their knowledge and belief, the company does not have any contingent liabilities.		
2 Commitments		
(i) Uncalled liability on partly paid up shares	NIL	NIL
(ii) Estimated amount of contracts remaining to be executed on capital accounts (Net of Advances)	NIL	NIL
(iii) Other Commitments (Investment in Zeacloud Services Private Limited to fund its working Capital)	250.00	NIL
3 All figures of the Financial Statements & Notes are shown in Lacs (` 00000) except No. of shares and Earning Per Share (Basic & Diluted).		
4 Net Gain/(Loss) on Foregin Currency Transaltion	11.87	(4.03)
5 (a) CIF Value of Imported Goods		
` - Raw Material	1746.92	1123.44

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

	C/Y FY 2024-25	P/Y FY 2023-24
6 Earning in Foreign Currency (in ₹)		
` - For Export of Goods	19.59	12.73
7 Expenditure in Foreign Currency	11.04	23.79
8 Director's Remuneration	84.00	60.00
9 In the opinion of Board of Director & best of their knowledge and belief, the provisions of all known liabilities are adequate.		
10 In the opinion of Board of Director current assets, loan & advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.		
11 As per information available with the company, no amount is due to any undertaking/enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006		
12 Auditors Remuneration		
Stat Audit	3.50	5.00
Tax Audit	1.25	

13 Related Parties Disclosures

As per accounting standard – 18 issued by the Institute of Chartered Accountants of India, the company's related parties and transactions are disclosed below:

A) Name of the related parties and description of relationship

1. Key Management Personnel

Mr. Santosh Kumar Agrawal (Managing Director)
 Mr. Sunil Kumar Agrawal (Whole-Time Director)
 Mr. Mukesh Chand Jain (Director)
 Mr. Gaurav Gupta (Director)
 Ms. Ashi Jain (Director)
 Mr. Vineet Agrawal (Whole-Time Director)
 Mr. Himanshu Purohit (Chief Financial Officer)- Resigned
 Mr. Keshav Pareek (Chief Financial Officer)
 Mr. Rajnish Pandey (Company Secretary)
 Mr. Sunil Kumar Agrawal (Director in Zeacloud Services Pvt Ltd)
 Mr. Vineet Agrawal (Director in Zeacloud Services Pvt Ltd)
 Mr. Amit Gupta (Director in Zeacloud Services Pvt Ltd)
 Mr. Kiran Sreedharan (Secretary in Esconet Singapore Pte. Ltd)

2. Statutory Body

Zeacloud Services Private Limited (Wholly owned Subsidiary)
 Esconet Singapore Pte Ltd (Wholly owned Foreign Subsidiary)

Name of the Company	Relationship	Number of shares held durnig C.Y	Number of shares held durnig P.Y
Zeacloud Services Private Limited	Wholly owned Subsidiary	3,70,000	1,20,000
Esconet Singapore Pte Ltd	Wholly owned Foreign Subsidiary	10,000	-

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

B) Transaction during the year and balances outstanding at the year end in respect of transaction entered into during the year with related parties:

S. No.	Name	Designation	Nature of Transaction	FY 2024-25	FY 2023-24
1	Mr. Santosh Kumar Agrawal	Managing Director	Remuneration	43.20	36.00
			Interest	4.60	11.86
			Rent	54.00	54.00
			Loan Outstanding	-	137.82
2	Mr. Sunil Kumar Agrawal	Whole-Time Director	Remuneration	43.20	36.00
			Interest	0.88	1.70
			Loan Outstanding	-	22.16
3	Mr. Mukesh Chand Jain	Independent Director	Sitting Fees	2.12	2.20
4	Ms. Ashi Jain	Independent Director	Sitting Fees	1.82	2.90
5	Mr. Gaurav Gupta	Independent Director	Sitting Fees	0.90	1.30
6	Mr. Manoj Chugh	Independent Director	Sitting Fees	0.60	-
7	Zeacloud Services Pvt. Ltd.	Sister Concern	Sale of Goods & Services	512.25	199.09
8	Mr. Himanshu Purohit	Chief Financial Officer	Salary	2.75	5.59
9	Mr. Rajnish Pandey	Company Secretary	Salary	9.68	2.92
10	Mr. Vineet Agrawal	Director in Subsidiary	Remuneration	7.80	6.00
11	Mr. Amit Gupta	Director in Subsidiary	Remuneration	2.00	6.00
12	Mr. Keshav Pareek	Chief Financial Officer	Salary	16.88	-

14 Previous year figure have been regrouped/rearranged wherever necessary to render them comparable with current year figures.

15 DISCLOSURE FOR POST-EMPLOYMENT BENEFITS

(A) Defined Contribution Plans

The Company makes Provident Fund and Employees' State Insurance which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	Year Ended as on 31-03-2025 (₹)	Year Ended as on 31-03-2024 (₹)
Contribution to ESIC	0.44	0.35
Contributions to Provident Fund	11.15	9.36
Total	11.59	9.71

(B) Defined Benefit Plan

The Company offers the following employee benefit schemes to its employees:

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services is entitled to gratuity on terms as per the provisions of the Payment of Gratuity Act, 1972. The scheme is unfunded.

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	Year Ended as on 31-03-2025 (₹)	Year Ended as on 31-03-2024 (₹)
(i) Change in Present Value of Defined Benefit Obligation		
Present value of Obligation at the beginning of the year	39.69	36.42
Liability Transfer In/(Out)		-
Interest cost	2.88	2.73
Past Service Cost		-
Current Service Cost	4.92	4.17
Curtailment Cost/(Credit)		-
Settlement Cost/(Credit)		-
Benefits paid	-4.15	(1.73)
Actuarial (Gain)/Loss on obligations	-1.81	(1.89)
Balance at the end of the year	41.52	39.69
(ii) Net Asset / (Liability) recognised in the Balance Sheet		
Present value of obligation as at the end of the year	41.52	39.69
Fair value of Plan Assets as at the end of the year	-	-
Funded status	-41.52	(39.69)
Unrecognised Actuarial Gain / (Loss)		-
Net Asset / (Liability) recognised in the Balance Sheet	-41.52	(39.69)
(iii) Expense recognised in the Statement of Profit and Loss		
Current service cost	4.92	4.17
Past service cost	-	-
Interest cost	2.88	2.73
Expected return on plan assets	-	-
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (Gain)/Loss recognised during the year	-1.81	(1.89)
Total expense recognised in the Statement of Profit and Loss	5.98	5.01
(iv) Actuarial assumptions		
Discount rate	6.75 % per annum	7.25 % per annum
Rate of increase in Compensation levels	5.00% per annum	8.00% per annum
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Average future service (in Years)	23 Years	21.2 Years
Withdrawal / Attrition Rate	10% per annum	10% per annum
Mortality Rate	IALM 2012-14	IALM 2012-14

(Note: The above disclosures are based on the Actuarial Valuation report dated 3rd May 2025 by the approved Actuary valuer`s)

16 DISCLOSURE UNDER SECTION 16 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED)

Particulars	Year Ended as on 31-03-2025 (₹)	Year Ended as on 31-03-2024 (₹)
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

Particulars	Year Ended as on 31-03-2025 (₹)	Year Ended as on 31-03-2024 (₹)
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
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 the MSMED Act	NIL	NIL
Interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	NIL	NIL

(Note: Dues to Micro and Small Enterprises have been determined to the extent such vendors / parties, identified on the basis of declaration or MSME certificate provided by the vendors / parties)

17 Corporate Social Responsibility (CSR) Expenditure;

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Social Welfare, Health care and charitable Trust etc. As on 31st March 2025 No CSR committee has been formed by the company as per the Act the Company is not required to form an CSR Committee if the CSR Spends are less than 50 Lakhs. The funds were primarily allocated to a corpus and utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013:

		Amt in ₹ Lakhs	
Sr. No.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Amount required to be spent by the company during the year	8.41	Not Applicable
2	Amount actually Spend	8.41	
3	Opening surplus at the beginning of the year	Nil	
4	Surplus at the end of the year	Nil	
5	Shortfall at the end of the year	NA	
6	Total of previous years shortfall	NA	
7	Reason for shortfall	NA	
8	Nature of CSR activities	Social Care and Charitable Trust	

18 Details of IPO and Net IPO proceeds utilization :

- During the year ended 31st March, 2024, the company has completed its initial public offer (IPO) of 33,60,000 equity shares (Fresh Issue) of face value of 10/- each at an issue price of ₹ 84/- per share (including premium of ₹ 74/- per share) aggregating to ₹ 2,822.40 lacs. The equity shares of the company were listed on National Stock Exchange Limited Small and Medium Exchange (NSE SME) on 23 February, 2024. The Company has incurred ₹ 429.78/- lacs as IPO related expenses.

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

- ii.) The Company has received an amount of ₹ 28,22,40,000 from proceeds of fresh issue of equity shares. The utilization of net IPO Proceeds is summarized as below:

Objects of the issue	Amount Received from IPO (₹)	Utilized upto 31st March, 2025 (₹)	Unutilized upto 31st March, 2025 (₹)
Working Capital	1600.00	1600.00	-
Investment in wholly owned subsidiary company Zeacloud Services Pvt. Ltd., to fund its capital expenditure	250.00	250.00	-
General Corporate Purpose	542.62	542.62	-
Issue related expense for IPO	429.78	429.78	-
Total	2822.40	2822.40	-

- iii.) The Company has received an amount of ₹ 32,69,22,000 from proceeds of preferential allotment of equity shares and Warrants Convertible into equity.

The utilization of net Proceeds is summarized as below (assuming full conversion of Convertible Warrants):

Amt in ₹ Lakhs			
Objects of the issue	Amount Received from Preferential Allotment (assuming fully conversion of warrants)	Utilized upto 31st March, 2025	Unutilized upto 31st March, 2025
To infuse funds in Wholly owned Subsidiary i.e., Zeacloud Services Private Limited for its business expansion purpose	1,250.00	250.00	1,000.00
Additional Working Capital i.e. Esconet Technologies Limited	1,000.00	-	1,000.00
Repayment of Loan against the Company	400.00	247.95	152.05
General corporate purposes including issues related expenses	619.22	231.46	387.76
TOTAL	3,269.22	729.41	2,539.81

Note 1: Esconet Technologies Limited has utilized a portion of the proceeds for working capital requirements. The remaining unutilized amount is expected to be deployed shortly, in line with the intended purposes outlined in the offer document circulated.

Note 2: The proposed investment in Zeacloud Services Private Limited, a wholly owned subsidiary, for its capital expenditure and business expansion will be made progressively, either through loans or further equity infusion. As of 31st March 2025, ₹2.50 crores has been infused in form of Equity, and the balance amount is currently retained by Esconet Technologies Limited, to be deployed as per the requirements of the subsidiary.

19 Disclosure of the additional Information as required by the Schedule III:

As at and for the year ended March 31, 2025

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or loss	
	As a %age of Consolidated net Assets	Amount	As % of consolidated profit/(Loss)	Amount
Parent				
Esconet Technologies Limited	98.23%	6,885.71	86.15%	688.98

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or loss	
	As a %age of Consolidated net Assets	Amount	As % of consolidated profit/(Loss)	Amount
Subsidiaries- Indian				
Zeacloud Services Private Limited	9.39%	658.265	13.85%	110.74
Foreign				
Esconet Singapore Pte. Ltd	0.09%	6.492	0%	-
Consolidated Adjustments/ Eliminations*	-7.72%	-540.92		
Total	100.00%	7,009.55	100.00%	799.72

* includes inter company eliminations, consolidation adjustments including accounting estimation difference

20 Ratio Analysis

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio (in times)	Current Assets	Current Liabilities	2.44	2.13	14.45%	Due to increase in current asset because of IPO proceeds.
Debt Equity Ratio (in times)	Total Debts (Short-Term Debt + Long Term Debt)	Shareholders Fund (Share Capital + Reserve & Surplus)	0.01	0.06	-87.40%	Due to issue of shares during the year and corresponding repayment of debts along with increase in retain earnings.
Debt service coverage Ratio	Earning Available for Debt Service (EBITDA)	Debt Service (Finance Costs + Repayment of Debt)	3.59	0.98	265.84%	Improvement in companies ability to meet its debt obligation due to increase in net operating income.
Return on Equity (in %)	(Net Profit After tax - Preference Dividend)	Shareholders Fund (Share Capital + Reserve & Surplus)	0.1141	0.26	-56.12%	Though companies net profit have increased year on year basis but companies has issued shares during the year.
Inventory Turnover Ratio (in times)	Sales	Average Inventory	13.87	12.31	12.66%	---
Trade Receivable Turnover Ratio (in times)	Net Credit Sales (Total Credit Sales - Sales Return)	Average Accounts Receivable	5.13	5.63	-8.96%	Due to increase in credit sales and extended credit terms to certain customers
Trade Payable turnover Ratio (in times)	Net Credit Purchase (Total Credit Purchase - Purchase Return)	Average Accounts Payables	5.68	6.02	-5.69%	---
Net Working Capital Turnover Ratio	Revenue from Operations	Working Capital (Current Assets - Current Laibilites)	3.49	3.83	-8.95%	Due to increase in current asset because of IPO proceeds.

Notes to Consolidate Financial Statements

for the Year ended as on 31st March, 2025

(All amounts in lakhs, except share data and where otherwise stated)

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Net Profit Ratio (in %)	Net Profit	Net Sales	3.47%	3.86%	-0.39%	---
Return on Capital Employed (in %)	EBIT	Capital Employed	16.22%	23.53%	-7.31%	Due to increase in capital employed because of IPO proceeds
Return on Investment	Income/ Profit from Investment	Cost of Invested Fund	0.05	0.01	3.97%	---

21 Additional Regulatory Information

- Title deeds of Immovable Property owned by the company are jointly held with others and company shares is in the name of the company.
- There is no any Proceeding have been initiated or pending on or against of the company for holding any benami Property under the Benami Transaction(Prohibition) Act, 1988 (section 45 of 1988) and the rules made thereunder.
- The Company have Short-Term Borrowing from Bank on the basis of security of Current Assets and collaterally secured by Commercial Property & personal Guarantee of Directors. Also, Company file monthly statements as per terms specified by the bank.
- The company have not been declared a wilful defaulter by bank, financial institution or other lenders.
- The Company does not have any transaction with "the Companies struck off under section 248 of the companies Act 2013 or Section" 560 of Companies Act 1956.
- There is no charge or modification yet to be registered with the Registrar of the companies beyond the statutory period.
- Company does not has traded or invested in crypto Currency or Virtual Currency during the financial Year.

22 Others

- There are no funds that 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- There have been no funds that have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

For **Ms Goel Mintri & Associates**
 CHARTERED ACCOUNTANTS
 (FR No. 013211N)

Santosh Kumar Agrawal
 (Director)
 DIN NO.-00493749

Sunil Kumar Agrawal
 (Director)
 DIN NO.-00493820

GOPAL DUTT

Partner
 Membership No. 520858
 Place : New Delhi
 UDIN: 25520858BMIDSA8828
 Date : 28.05.2025

Keshav Pareek
 (Chief Financial Officer)

Rajnish Pandey
 (Company Secretary)

Notes

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ESCONET TECHNOLOGIES LIMITED

(Formerly known as Esconet Technologies Private Limited)

CIN: L62099DL2012PLC233739

Registered Office: D-147, Okhla Industrial Area, Phase - 1

New Delhi-110020

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