

# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Report To the Members of STL Digital Limited Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of STL Digital Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 Companies Act, 2013 ("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 total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' 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 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 opinion.

### Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

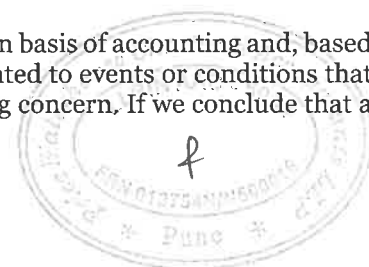
To the Members of STL Digital Limited  
Report on Audit of the Financial Statements  
Page 2 of 5

### **Responsibilities of management and those charged with governance for the financial statements**

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditors' responsibilities for the audit of the financial statements**

8. 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 auditors' 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.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

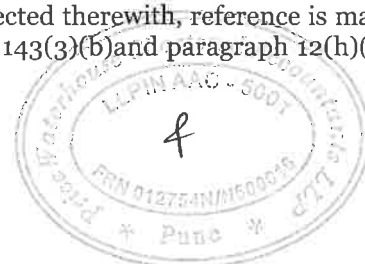
To the Members of STL Digital Limited  
Report on Audit of the Financial Statements  
Page 3 of 5

material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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.
10. 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.

### Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of certain books of accounts and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules, 2014 (as amended) ("the Rules"). Further, in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of certain other books of account and other books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the period October 01, 2024 to March 31, 2025.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under section 143(3)(b) and paragraph 12(h)(vi) below on reporting under rule 11(g) of the rules.

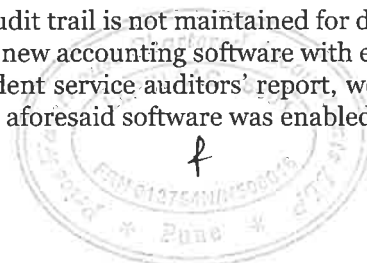


# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of STL Digital Limited  
Report on Audit of the Financial Statements  
Page 4 of 5

- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 39 to the financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries  
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The company has not declared or paid any dividend during the year.
  - vi. Based on our examination, which included test checks, the Company has used multiple accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for the following:
    - (a) in respect of the core accounting software, the audit trail feature is not maintained in case of modification by certain users with specific access and the audit trail is not maintained for direct database changes. Further, the Company has migrated to a new accounting software with effect from October 01, 2024 and in the absence of the independent service auditors' report, we are unable to comment on whether the audit trail feature of the aforesaid software was enabled and



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of STL Digital Limited  
Report on Audit of the Financial Statements  
Page 5 of 5

operated for the period October 01, 2024 to March 31, 2025 for all relevant transactions recorded in the aforesaid software or whether there were any instances of the audit trail feature being tampered with.

(b) one accounting software does not have the feature of recording audit trail;

During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

13. The Company has not paid or provided for managerial remuneration. Accordingly, reporting under Section 197(6) of the act is not applicable to the company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012475N/N500016



Pawankumar Somani  
Partner  
Membership Number: 137654  
UDIN: 25137654BMODQO4646  
Place: Mumbai  
Date: May 16, 2025

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of STL Digital Limited on the financial statements as of and for the year ended March 31, 2025

Page 1 of 2

### Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of STL Digital Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. 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 ("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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with 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 applicable to an audit of internal financial controls and 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of STL Digital Limited on the financial statements as of and for the year ended March 31, 2025

Page 2 of 2

### Meaning of Internal Financial Controls with reference to financial statements

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

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012475N/N500016



Pawankumar Somani

Partner

Membership Number: 137654

UDIN: 25137654BMODQO4646

Place: Mumbai

Date: May 16, 2025

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of STL Digital Limited on the financial statements as of and for the year ended 31 March, 2025

Page 1 of 4

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company have not been physically verified by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any have been properly dealt with in the books of account.
- (c) The Company does not own any immovable properties (Refer Note 4 to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.
- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) During the year, During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made investment in one mutual fund scheme. The company has not granted secured/ unsecured loans/advances in the nature of loans, or stood guarantee, or provided security to any parties.
- (b) In respect of the aforesaid investments the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- (c) In respect of the loans, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated.
- (d) In respect of the loans, there is no amount which is overdue for more than ninety days.



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Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of STL Digital Limited on the financial statements as of and for the year ended 31 March, 2025

Page 2 of 4

- (e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- (f) There were no loans/ advances in nature of loans which were granted during the year, including to promoters/ related parties.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including profession tax, goods and services tax, provident fund, income tax, employee's state insurance and other material statutory dues, as applicable, with the appropriate authorities.  
(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.  
(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.  
(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 13 to the financial statements)  
(g) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.  
(h) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The company did not have any joint ventures or associate companies during the year.  
(i) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The company did not have any joint ventures or associate companies during the year.



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of STL Digital Limited on the financial statements as of and for the year ended 31 March, 2025

Page 3 of 4

- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion, our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of STL Digital Limited on the financial statements as of and for the year ended 31 March, 2025

Page 4 of 4

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 5,171.99 Lakhs in the financial year and of Rs. 10,529.15 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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) The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Pawankumar Somani  
Partner  
Membership Number: 137654  
UDIN: 25137654BMODQO4646  
Place: Mumbai  
Date: May 16, 2025

**STL DIGITAL LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

ASSETS	Notes	March 31, 2025	March 31, 2024
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	1,061.54	1,561.18
Intangible assets	5	1.39	1.92
<b>Financial Assets</b>			
(i) Investments	6	505.66	-
(ii) Other Financial Assets	9	223.03	201.77
Deferred tax assets (net)	23	5,230.81	3,829.81
Income Tax Asset	10B	845.79	1,105.67
<b>Total Non-current Assets</b>		<b>7,868.22</b>	<b>6,700.35</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
(i) Trade receivables	7	7,460.68	10,545.82
(ii) Cash and cash equivalents	8	894.63	345.64
(iii) Loans	9A	-	0.50
Other current assets	10	1,080.68	1,237.41
Contract assets	10A	3,113.08	708.60
<b>Total Current Assets</b>		<b>12,549.07</b>	<b>12,837.97</b>
<b>Total Assets</b>		<b>20,417.29</b>	<b>19,538.32</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	5.00	5.00
Other equity	12	(14,885.95)	(10,724.21)
<b>Total Equity</b>		<b>(14,880.95)</b>	<b>(10,719.21)</b>
<b>Non-current Liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	13	4,942.63	-
(ii) Lease liabilities	4	871.29	1,295.98
Employee benefit obligations	16	897.81	857.12
<b>Total Non-current liabilities</b>		<b>6,711.73</b>	<b>2,153.10</b>
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	13	18,765.93	14,175.09
(ii) Lease liabilities	4	430.20	396.04
(iii) Trade payables			
(A) total outstanding dues of Micro and Small enterprises	14	346.57	169.76
(B) total outstanding dues of creditors other than Micro and Small enterprises	14	6,745.37	9,855.54
(iv) Other financial liabilities	15	655.53	1,222.67
Contract liabilities	17A	459.58	375.98
Employee benefit obligations	16	640.78	633.56
Other current liabilities	17B	542.55	1,275.79
<b>Total Current Liabilities</b>		<b>28,586.51</b>	<b>28,104.43</b>
<b>Total Liabilities</b>		<b>35,298.24</b>	<b>30,257.53</b>
<b>Total Equity and Liabilities</b>		<b>20,417.29</b>	<b>19,538.32</b>
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements  
As per our report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No : 012754N/N500016



Pawankumar Somani  
Partner  
Membership Number: 137654  
Date 16th May 2025  
Place: Mumbai

For and on behalf of the Board of Directors of  
STL Digital Limited



Ankit Agarwal  
Director  
DIN: 03344202  
Date 16th May 2025  
Place: Mumbai

Naveen Bolalingappa  
Director  
DIN 10720633  
Date : 16th May 2025  
Place Bangalore

**STL DIGITAL LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

	Notes	March 31, 2025	March 31, 2024
<b>Income</b>			
Revenue from operations	18	23,542.58	23,456.72
Other income	19	104.94	142.88
<b>Total Income (I)</b>		<b>23,647.52</b>	<b>23,599.60</b>
<b>Expenses</b>			
Employee benefits expense	20	15,079.69	17,500.46
Other expenses	21	11,701.01	15,309.78
<b>Total Expense (II)</b>		<b>26,780.70</b>	<b>32,810.24</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)</b>		<b>(3,133.18)</b>	<b>(9,210.64)</b>
Depreciation and amortisation expense	22A	489.20	529.82
Finance costs	22 B	2,047.71	1,335.42
<b>Loss before tax</b>		<b>(5,670.09)</b>	<b>(11,075.88)</b>
<b>Tax expense:</b>	23		
Current tax		-	-
Deferred tax		(1,426.94)	(2,953.14)
<b>Total tax expenses</b>		<b>(1,426.94)</b>	<b>(2,953.14)</b>
<b>Loss for the year</b>		<b>(4,243.15)</b>	<b>(8,122.74)</b>
<b>Other comprehensive income / (loss)</b>			
Remeasurements of Post-employment benefit obligations		103.05	(26.26)
Income tax related to above		(25.94)	6.61
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>77.11</b>	<b>(19.65)</b>
<b>Total comprehensive loss for the year</b>		<b>(4,166.04)</b>	<b>(8,142.39)</b>
<b>Loss per share</b>			
<b>Basic and diluted</b>			
Computed on the basis of loss for the year (Rs.)	24	(8,486.30)	(16,245.49)
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

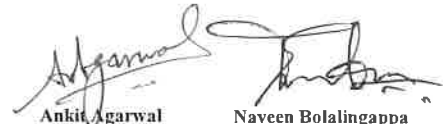
As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N/N500016



**Pawankumar Somani**  
Partner  
Membership Number: 137654  
Date : 16th May 2025  
Place: Mumbai

For and on behalf of the Board of Directors of  
STL Digital Limited



**Ankit Agarwal**  
Director  
DIN: 03344202  
Date : 16th May 2025  
Place: Mumbai

**Naveen Bolalingappa**  
Director  
DIN: 10720633  
Date : 16th May 2025  
Place: Bangalore

**STL DIGITAL LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
<b>A. Operating activities</b>		
Profit/(Loss) before tax	(5,670.09)	(11,075.88)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant & equipment	488.67	529.29
Amortization of intangible assets	0.53	0.53
Unwinding of discount on Security Deposit	(4.29)	(16.82)
Non-cash employee share based payments	4.30	101.10
Interest income	(98.14)	(24.37)
Net Exchange Difference	8.89	(40.21)
Liabilities / Provisions no longer required written back	-	(27.16)
Finance Costs	2,047.71	1,335.42
<b>Operating profit/(loss) before working capital changes</b>	<b>(3,222.42)</b>	<b>(9,218.12)</b>
Working capital adjustments:		
(Increase)/Decrease in Trade Receivables	3,076.14	(3,375.28)
(Increase)/Decrease in Other Financial Assets	(21.26)	537.82
(Increase)/Decrease in Other Current Assets	156.72	(791.38)
(Increase)/Decrease in Contract Assets	(2,404.48)	(261.05)
Increase/(Decrease) in Trade Payables	(2,933.35)	8,841.04
Increase/(Decrease) in Other Financial Liabilities	(567.14)	516.41
Increase/(Decrease) in Other Current Liabilities	(733.12)	344.97
Increase/(Decrease) in Contract Liability	83.59	115.77
Increase /(Decrease) in Employee benefit obligations	150.97	305.42
<b>Cash generated from/(used in) operations</b>	<b>(6,414.36)</b>	<b>(2,984.40)</b>
Income tax paid (net of refunds)	259.85	(1,028.82)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>(6,154.51)</b>	<b>(4,013.22)</b>
<b>B. Investing activities</b>		
Additions to Property, plant and equipment	-	(24.33)
Purchase of Digital business undertaking (refer note 32)	-	(1,759.79)
Loans to employees	0.50	(0.50)
Interest received	92.48	24.37
Investments in Mutual Fund	(500.00)	-
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(407.02)</b>	<b>(1,760.25)</b>
<b>C. Financing activities</b>		
Proceeds from long-term borrowings	5,500.00	-
Proceeds from short-term borrowings	12,872.35	26,784.17
Repayment of short-term borrowings	(9,045.23)	(20,045.82)
Principle elements of lease payments	(390.51)	(479.60)
Finance costs (Including Interest Cost as per IND AS 116)	(1,826.08)	(194.57)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>7,110.52</b>	<b>6,064.18</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>548.99</b>	<b>290.71</b>



**STL DIGITAL LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ Lakhs, unless otherwise stated)

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Cash and cash equivalents at the beginning of the year (Refer Note 8)	345.64	54.93
Cash and cash equivalents at end of the year (Refer Note 8)	894.63	345.64
<b>Balances with banks:</b>	<b><u>March 31, 2025</u></b>	<b><u>March 31, 2024</u></b>
In current accounts	894.63	345.64
<b>Total cash and cash equivalents</b>	<b>894.63</b>	<b>345.64</b>
<b>Non Cash Item Disclosure</b>		
<b>Particulars</b>	<b><u>March 31, 2025</u></b>	<b><u>March 31, 2024</u></b>
Acquisition of Right of Use Assets	-	78.03
<b>Total</b>	<b><u>-</u></b>	<b><u>78.03</u></b>
Summary of material accounting policies		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No: 012754N/N500016



Partner  
 Membership Number: 137654  
 Date : 16th May 2025  
 Place: Mumbai

For and on behalf of the Board of Directors of  
 STL Digital Limited



Ankit Agarwal  
 Director  
 DIN: 03344202  
 Date : 16th May 2025  
 Place: Mumbai

Naveen Bolalingappa  
 Director  
 DIN: 10720633  
 Date : 16th May 2025  
 Place: Bangalore

**STL DIGITAL LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ lakhs, unless otherwise stated)

A. Equity share capital	Note	Numbers	Amount
Equity Share of Rs. 10 each (issued, subscribed and fully paid)		50,000	5
As at April 01, 2023	11	-	-
Changes in equity share capital		50,000	5
As at March 31, 2024	11	-	-
Changes in equity share capital		50,000	5
As at March 31, 2025		-	-

**B. Other equity**

Particulars	Equity contribution by the parent (Share based payment)	Retained earnings	Total
As at April 01, 2023	96.00	(2,778.92)	(2,682.92)
Loss for the year	-	(8,122.74)	(8,122.74)
Employee Stock Option Expense*	101.10	-	101.10
Other Comprehensive Loss for the year	-	(19.65)	(19.65)
As at March 31, 2024	197.10	(10,921.31)	(10,724.21)
Loss for the year	-	(4,243.15)	(4,243.15)
Employee Stock Option Expense*	4.30	-	4.30
Other Comprehensive Income for the year	-	77.11	77.11
As at March 31, 2025	201.40	(15,087.35)	(14,885.95)

\* Expense incurred with respect to the Employee Stock Option Plan of Sterlite Technologies Limited (Holding Company) given to the employees of STL Digital Limited (Refer Note 28).

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No: 012754N/N500016



Pawankumar Somani  
 Partner  
 Membership Number: 137654  
 Date : 16th May 2025  
 Place: Mumbai

For and on behalf of the Board of Directors of  
 STL Digital Limited



Ankit Agrawal  
 Director  
 DIN: 03344202  
 Date : 16th May 2025  
 Place: Mumbai

Naveen Bolalingappa  
 Director  
 DIN: 10720633  
 Date : 16th May 2025  
 Place: Bangalore

# STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

## 1. Corporate information

STL Digital Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company was incorporate on 20<sup>th</sup> December 2018 and is a wholly owned subsidiary of Sterlite Technologies Ltd. The registered office of the Company is located at Plot 33/1/1, Waghadara Road, Dadra, Silvassa, Dadra & Nagar Haveli (DN) - 396230 India.

## 2. Basis of preparation and summary of material and other accounting policies

This note provides a list of the material and other accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

### 2.1 Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities measured at fair value
- Share based payments

The financial statements are presented in Indian Rupees in Lakhs, except when otherwise indicated.

### New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### Current versus non-current classification

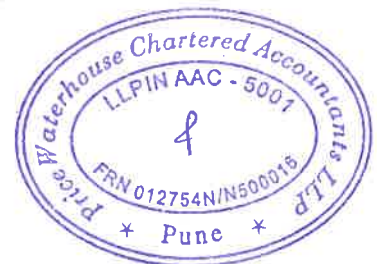
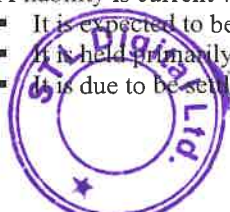
The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or



## STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.

### 2.2 Summary of material accounting policies

#### a) Revenue from contracts with customers

Revenue is recognised upon transfer of control of promised services to customers at the contracted price which the Company receives in exchange for those products or services. The method for recognizing revenue depends on the nature of the services rendered.

##### Revenue from customers:

##### (i) Time and Material contracts:

Revenue from time and material contracts is recognized over the time as the related services are rendered. Revenue from these contracts is measured based on the number of hours spent on the contract and contracted rate.

##### (ii) Fixed Price Contracts:

Revenue from fixed-price contracts is recognised monthly and consists of recurring services considered to be one single performance obligation comprising a series of distinct units of service satisfied over time.

Certain contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company evaluates it's role in the contract considering principles prescribed in para B34-B38 of Ind AS 115 based on whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

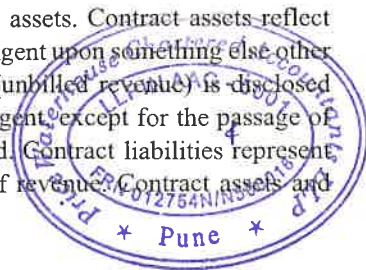
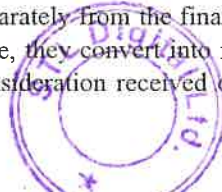
##### (iii) Cost plus Mark-up Contracts:

Revenue from services rendered to parent company and subsidiaries is recognized on cost plus mark-up basis determined on arm's length principle as and when the related services are rendered.

The Company does not expect to have any contracts where the period between the transfer of the promised services or goods to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

##### Contract Assets and Liabilities:

Contract Assets and Liabilities Contract assets are presented separately from financial assets. Contract assets reflect revenue recognized for which the corresponding rights to receive consideration are contingent upon something else other than the passage of time, such as customer acceptance. Accordingly, contract assets (unbilled revenue) is disclosed separately from the financial asset. When customer contract assets are no longer contingent, except for the passage of time, they convert into financial assets and are disclosed as trade receivables - unbilled. Contract liabilities represent consideration received or receivable in advance of performance or billing in excess of revenue. Contract assets and



## STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

liabilities are presented on a net basis for each individual contract. The billing schedules agreed with customers include periodic payments. Invoices are payable within contractually agreed credit period.

### b) Property, plant and equipment

Freehold land and Capital work in progress are carried at historical costs. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The Company, based on technical assessments made by technical experts and management estimates, depreciates the certain items of tangible assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Table below provide the details of the useful lives which are different from useful lives prescribed under Schedule II of the Companies Act, 2013:

Asset Category	Useful Life considered	Useful life (Schedule II)
Furniture and fixtures	5 years	10 Years
Data processing equipment	Upto 5 Years	Servers and networks -6 years and Desktops and laptop etc - 3 Years
Office equipment	Upto 5 Years	5 Years

Aforesaid, useful lives are considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimate useful lives. The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

Refer note (b) under 2.3 for other relevant accounting policies.

### c) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

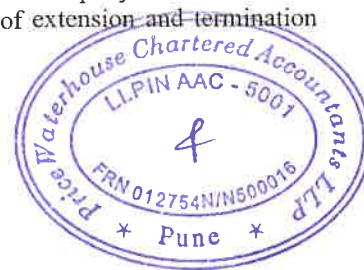
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in property and equipment leases across the company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability



## STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

### d) Investments and Other Financial assets

#### i) Classification & Recognition:

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### ii) Measurement:

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ (expenses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

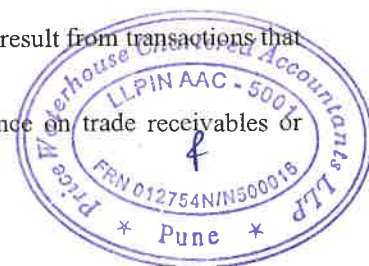
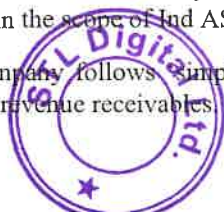
Equity investment in subsidiaries, associates and joint venture are carried at historical cost as per the accounting policy choice given by Ind AS 27.

#### iii) Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;
- Lease receivables under Ind AS 116
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.



## STL Digital Limited

### Notes to financial statements for the year ended March 31, 2025

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the "net impairment losses on financial and contract assets" in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

See note (e) under 2.3 for the other relevant accounting policies.

#### e) Income Taxes

##### Current income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;



## STL Digital Limited

### Notes to financial statements for the year ended March 31, 2025

- In respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

Current and Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by same taxation authorities on either same taxable entity or different taxable entities which intend either to settle the current tax assets and tax liabilities on a net basis or to realise the asset and settle the liability simultaneously.

#### f) Presentation of EBITDA

The Company presents Earnings before interest, tax, depreciation and amortisation ('EBITDA') in the statement of profit or loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA based on profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

#### g) Going Concern Assumption

During the year, company has incurred a loss of Rs. 4,243.15 lakhs (March 31, 2024 : loss of Rs. 8,142.39lakhs) and is carrying accumulated losses of Rs. 15,067.70 lakhs (March 31, 2024 : loss of Rs. 10,901.66 lakhs). The company has net worth of Rs. (14,880.95) lakhs [March 31, 2024, Rs. (10,719.21) lakhs]. The company's management expects it to continue its operations and meet its liabilities as and when they fall due. The company has received letter of support issued by Sterlite Technologies Limited (holding company), for all necessary financial as well as operational support to enable the company to continue its operations. Based on this management is of the opinion that the preparation of financial statements of the company on going concern basis is appropriate.

### 2.3 Summary of other accounting policies

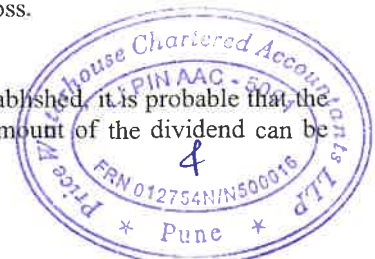
#### a) Other Income

##### 1) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in finance income in the statement of profit and loss.

##### 2) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.



## STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

### b) Property, Plant and Equipment

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

### c) Provisions and contingent liabilities

#### General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as interest expense.

#### Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### d) Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of



## STL Digital Limited

### Notes to financial statements for the year ended March 31, 2025

employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plans in the nature of gratuity and
- (b) Defined contribution plans such as provident fund.

### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### e) Investments and Other Financial assets

#### i) Classification & Recognition:

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the financial asset.



## STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

### ii) Measurement:

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method. Impairment losses are presented as a separate line item in the financial statement.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses and impairment expenses are presented as separate lines item in the financial statements.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### iii) Derecognition of financial assets

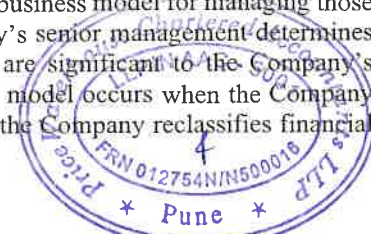
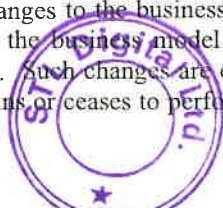
A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### iv) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial



## STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### f) Financial liabilities

#### Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

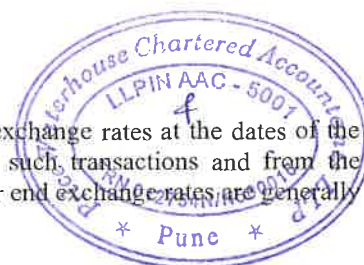
### h) Foreign currency translation

#### Functional and presentation currency

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

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally



## **STL Digital Limited**

### Notes to financial statements for the year ended March 31, 2025

recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on the basis of underlying transactions.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### **i) Intangible Assets**

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

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

All intangible assets are amortised on a straight-line basis over a period of three to five years.

The Company does not have any intangible assets with indefinite useful lives.

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

#### **j) Borrowing Costs**

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

#### **k) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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



## STL Digital Limited

Notes to financial statements for the year ended March 31, 2025

### l) Earnings per share

#### Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### m) Trade receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the transaction price unless there is significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

### n) Share-based payments

#### Share based payment arrangements involving equity instruments of the parent

Share-based payment arrangements involving equity instruments of the parent

When the parent entity grants rights to its equity instruments directly to the employees of its subsidiary and the parent (not the subsidiary) has the obligation to provide the employees of the subsidiary with the equity instruments the fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity contribution by parent.

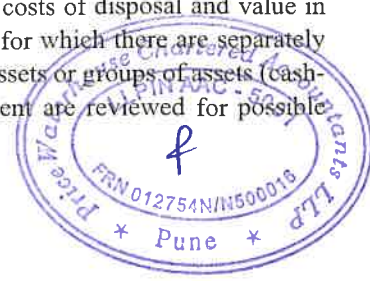
The total amount to be expensed is determined by reference to the fair value of the options granted:

- . Including any market performance conditions (e.g., the entity's share price)
- . Excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- . Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

### o) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period



## STL Digital Limited

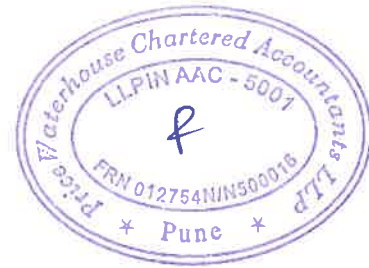
Notes to financial statements for the year ended March 31, 2025

### p) Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors has been identified as being the CODM. Refer note 50 for segment information presented.

### q) Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated. Amounts below the rounding off norm followed by the Company is disclosed as '0'.



**STL DIGITAL LIMITED**

Notes to financial statements for the year ended March 31, 2025

**NOTE 3: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

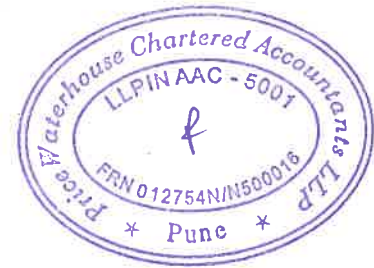
The preparation of financial statements requires the use of accounting estimates. Management exercises judgement in applying the company's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reliable and relevant under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Management believes that the estimates are the most likely outcome of future events. Detailed information about each of these estimates and judgements is described below.

**Defined benefit plans**

The cost of the defined benefit plan and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase, employee turnover and expected return on planned assets. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the year end. Details about employee benefit obligations and related assumptions are given in Note 16.

**Recognition of deferred tax assets for carried forward tax losses**

At each balance sheet date, the company assesses whether the realisation of future tax benefits is sufficiently probable to recognise deferred tax assets on unutilised tax losses. The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carryforwards can be utilised. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. The losses can be carried forward for a period of 8 years as per local tax regulations and the company expects to recover the losses. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income change or if changes in current tax regulations are enacted.



NOTE 4: PROPERTY, PLANT & EQUIPMENT

	Data processing equipments	Office equipments	Furniture and fixture	Right of use assets - Buildings	Total
<b>Cost</b>					
At April 01, 2023	261.03	17.59	6.28	2,238.97	7,513.87
Additions	21.53	2.80	-	78.03	102.36
Additions on account of common control combination (Refer Note - 32)	-	-	-	296.16	296.16
At March 31, 2024	282.56	20.39	6.28	2,613.16	7,822.39
Additions	-	-	-	-	-
Deletions	12.55	-	-	-	12.55
At March 31, 2025	260.01	20.39	6.28	2,613.16	7,809.84
<b>Accumulated Depreciation</b>					
At April 01, 2023	36.04	0.63	0.10	343.62	380.39
Charge for the year	74.84	3.95	1.26	449.24	529.29
Depreciation on deletions	-	-	-	150.79	150.79
At March 31, 2024	110.88	4.58	1.36	642.07	758.89
Charge for the year	55.61	4.22	1.21	427.63	488.67
Depreciation on deletions	1.58	-	-	-	1.58
At March 31, 2025	164.91	8.80	2.57	1,069.70	1,245.98
<b>Net Book Value</b>					
At March 31, 2025	95.10	11.59	3.71	951.14	1,061.54
At March 31, 2024	161.68	15.81	4.92	1,378.77	1,561.18

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

**Details of Leases :**

The note provides information for leases where the company is a lessee. The company has taken office on lease. Rental contract for Building is for the period of 5 years, but have extension options.

(i) Liabilities recognised in balance sheet

Particulars	March 31, 2025	March 31, 2024
<b>Lease liabilities</b>		
Non-current	871.29	1,295.98
Current	430.20	396.04
<b>Total</b>	<b>1,301.50</b>	<b>1,692.02</b>

**Movement of Lease Liability**

Particulars	March 31, 2025	March 31, 2024
Opening Balance	1,692.02	2,266.12
Add : New leases during the year	-	78.03
Less : Lease terminated during the year	-	172.53
Add : Interest accrued during the year	137.75	168.52
Less : Rent paid during the year	528.26	648.12
<b>Closing balance</b>	<b>1,301.50</b>	<b>1,692.02</b>

(ii) Amount recognised in the statement of profit & loss

Particulars	March 31, 2025	March 31, 2024
<b>Depreciation Charge of right of use assets</b>		
Building	427.63	449.24
Interest expenses (included in finance cost)	137.75	168.52
Expenses related to short term leases, low value assets (included as rent in other expenses)	354.44	328.30

The total cash outflow for leases for the year ended March 31, 2025 is Rs.882.70 (March 31, 2024 - 976.42).

**Extension and Termination option :**

Extension and termination options are included in leases held by the company. These terms are used to maximise operational flexibility in terms of managing contracts. The extension options are exercisable on mutual agreement between the parties.



**STL DIGITAL LIMITED**  
**Notes to financial statements for the year ended March 31, 2025**  
 (All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 5: INTANGIBLE ASSETS**

	Software/License	Total
<b>Cost</b>		
At April 1, 2023	2.65	2.65
Additions	-	-
At March 31, 2024	2.65	2.65
Additions	-	-
At March 31, 2025	2.65	2.65
<b>Accumulated Depreciation</b>		
At April 1, 2023	0.20	0.20
Charge for the year	0.53	0.53
At March 31, 2024	0.73	0.73
Charge for the year	0.53	0.53
At March 31, 2025	1.26	1.26
<b>Net Book Value</b>		
At March 31, 2025	1.39	1.39
At March 31, 2024	1.92	1.92



**STL DIGITAL LIMITED**

**Notes to financial statements for the year ended March 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 6: NON CURRENT INVESTMENTS**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<b>In mutual funds (At fair value through profit or loss) (unquoted)</b>		
120,783.334 (31 March 2024: Nil) units of Aditya Birla Sun Life Liquid Fund (Refer Note 13)	505.66	-
<b>Total for Non Current Investments</b>	<u>505.66</u>	<u>-</u>



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 7: TRADE RECEIVABLES**

	March 31, 2025	March 31, 2024
<b>Current</b>		
Trade receivables from contract with customers - Billed	2,642.35	1,243.93
Trade receivables from contract with customers - Unbilled from Related party^	17.34	332.19
Trade receivables from contract with customers - Billed Related parties	4,800.99	8,969.70
Less: Loss Allowance	-	-
<b>Total Receivables</b>	<b>7,460.68</b>	<b>10,545.82</b>
<b>Break-up of Security details</b>		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	7,460.68	10,545.82
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
<b>Total</b>	<b>7,460.68</b>	<b>10,545.82</b>
Loss Allowance	-	-
<b>Total Trade receivables</b>	<b>7,460.68</b>	<b>10,545.82</b>

^The receivables are 'unbilled' because the invoice has not been raised and as at the balance sheet date, the balances have been included under trade receivables (as opposed to contract assets) because it has an unconditional right to consideration.

**Trade Receivable ageing March 31, 2025**

Particulars	Unbilled	Not Due	Outstanding for the following Periods from the due date					Total
			Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Years	More than 3 Years	
(i) undisputed Trade receivables- Considered good	17.34	4590.01	2777.22	61.96	14.15			7460.68
<b>Total</b>	<b>17.34</b>	<b>4,590.01</b>	<b>2,777.22</b>	<b>61.96</b>	<b>14.15</b>			<b>7,460.68</b>

**Trade Receivable ageing March 31, 2024**

Particulars	Unbilled	Not Due	Outstanding for the following Periods from the due date					Total
			Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Years	More than 3 Years	
(i) undisputed Trade receivables- Considered good	332.19	7,797.60	2,404.73	11.30				10,545.82
<b>Total</b>	<b>332.19</b>	<b>7,797.60</b>	<b>2,404.73</b>	<b>11.30</b>				<b>10,545.82</b>

**NOTE 8: CASH AND CASH EQUIVALENTS**

	March 31, 2025	March 31, 2024
<b>Balances with banks:</b>		
In current accounts	894.63	345.64
<b>Total Cash and cash equivalents</b>	<b>894.63</b>	<b>345.64</b>

**NOTE 9: OTHER FINANCIAL ASSETS**

	March 31, 2025	March 31, 2024
<b>Non current (unsecured , considered good)</b>		
Security deposits	223.03	201.77
<b>Total Other non - current Financial Assets</b>	<b>223.03</b>	<b>201.77</b>

**NOTE 9A: LOANS**

	March 31, 2025	March 31, 2024
Loans to employees Unsecured considered good	-	0.50
<b>Total Loans</b>	<b>-</b>	<b>0.50</b>



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 10: OTHER CURRENT ASSETS**

	March 31, 2025	March 31, 2024
Balance with government authorities	733.21	966.80
Prepaid expenses	347.47	270.61
<b>Total other current assets</b>	<b>1,080.68</b>	<b>1,237.41</b>

**NOTE 10A: CONTRACT ASSETS**

	March 31, 2025	March 31, 2024
Contract assets (unsecured, considered good)	3,113.08	708.60
Less: Loss allowance	-	-
<b>Total contract assets</b>	<b>3,113.08</b>	<b>708.60</b>

**Significant changes in contract assets**

Increased deliveries during the year and the same are under acceptance as at the year end.

**NOTE 10B: TAX ASSETS**

	March 31, 2025	March 31, 2024
<b>Non-Current</b>		
Advance income tax, including TDS (net of provisions)	845.79	1,105.67
<b>Current</b>		
Advance income tax, including TDS (net of provisions)	-	-
<b>Total other assets</b>	<b>845.79</b>	<b>-</b>

**Movement in income tax (Assets)/Liabilities (Net)**

	March 31, 2025	March 31, 2024
<b>Opening balance</b>		
Income tax assets (Net)	1,105.67	76.85
Current tax liabilities (Net)	-	-
<b>Opening balance (Net)</b>	<b>1,105.67</b>	<b>76.85</b>
<b>Current tax payable for the year</b>		
Taxes paid	1,207.86	1,105.67
Refund received	(1,467.73)	(76.85)
<b>Net Movement</b>	<b>(259.87)</b>	<b>1,028.82</b>
<b>Closing balances</b>		
Income tax assets (Net)	845.79	1,105.67
Current tax liabilities (Net)	-	-
<b>Closing balance (Net)</b>	<b>845.79</b>	<b>1,105.67</b>

**NOTE 11: SHARE CAPITAL**

	March 31, 2025	March 31, 2024
<b>Authorised share capital</b>		
90,00,000 Equity Shares of Rs.10 each (Previous year 90,00,000 Equity Shares of Rs.10 each)	900.00	900.00
	<b>900.00</b>	<b>900.00</b>
<b>Issued, subscribed and fully paid-up share capital</b>		
50,000 Equity Shares of Rs.10 each fully paid up (Previous year 50,000 Equity Shares of Rs.10 each)	5.00	5.00
	<b>5.00</b>	<b>5.00</b>

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

	Numbers	Amount
<b>As at April 01, 2023</b>	50,000	5.00
Issued during the year	-	-
<b>Outstanding as at March 31, 2024</b>	50,000	5.00
Issued during the year	-	-
<b>Outstanding as at March 31, 2025</b>	<b>50,000</b>	<b>5.00</b>

**b. Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ lakhs, unless otherwise stated)

**c. Shares of the Company held by Holding Company**

**Immediate Holding Company**  
 Sterlite Technologies Limited

March 31, 2025	
Numbers	% holding
49,994	99.99%

**Immediate Holding Company**  
 Sterlite Technologies Limited

March 31, 2024	
Numbers	% holding
49,994	99.99%

**d. Details of shareholders holding more than 5% of shares in the Company**

Sterlite Technologies Limited

March 31, 2025	
Numbers	% holding
49,994	99.99%

Sterlite Technologies Limited

March 31, 2024	
Numbers	% holding
49,994	99.99%

**c. Details of shareholding of promoters:**

Name of Promoter	Number of shares as at March 31, 2025	Number of shares as at March 31, 2024	Percentage of total Number of shares as at March 31, 2025	Percentage of total Number of shares as at March 31, 2024	Percentage of change current year	Percentage of change previous year
Sterlite Technologies Limited	49,994	49,994	99.99%	99.99%	-	-
Aakrit Agarwal	1	1	0.00%	0.00%	-	-
Pravin Agarwal	1	1	0.00%	0.00%	-	-

There are no shares issued for consideration other than cash in the current and previous years.

**NOTE 12 : OTHER EQUITY**

**Retained earnings**

Opening balance  
 Add: Loss for the year  
 Remeasurements of post-employment benefit obligations (net of taxes)

	March 31, 2025	March 31, 2024
	(10,921.31)	(2,778.92)
	(4,243.15)	(8,122.74)
	77.11	(19.65)
<b>Closing balance</b>	<b>(15,087.35)</b>	<b>(10,921.31)</b>

**Closing balance**

**Equity contribution by the parent**

Opening balance  
 Add: Employee stock option expense (Refer note 28)  
 Closing balance

	March 31, 2025	March 31, 2024
	197.10	96.00
	4.30	101.10
<b>Closing balance</b>	<b>201.40</b>	<b>197.10</b>

**Total other equity**

	<b>(14,885.95)</b>	<b>(10,724.21)</b>
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**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 13: BORROWING**

**Non Current Borrowings:**  
Indian Rupee Term Loan (Secured)

March 31, 2025	March 31, 2024
4,942.63	-
<b>4,942.63</b>	<b>-</b>

**Current Borrowings:**

Loans from Related Party (Unsecured)  
Current Maturities of Indian Rupee Term Loan from Others (secured)

March 31, 2025	March 31, 2024
18,124.24	14,175.09
641.69	-
<b>18,765.93</b>	<b>14,175.09</b>

**Notes :**

- a) Indian Rupee term loan carries interest at 10.35% p.a. Loan is repayable in quarterly instalments starting from 30th April 2025 with maturity date of 31st January 2028. This loan is secured by way of first charge on mortgage of current and fixed assets both present and future of the company, and a lien on Liquid Mutual Fund. Refer details below for assets pledged as security against term loan.
- b) Loan from related party consists of unsecured loan received from Sterlite Technologies Limited which is repayable on demand. This Loan carries interest @ 8.65% p.a.
- c) The borrowings obtained by the company have been applied for the purposes for which such loans were taken.
- d) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**Assets pledged as security**

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

Particulars	31 March 2025 (₹ in Lakhs)	31 March 2024 (₹ in Lakhs)
<b>Current</b>		
<b>Financial Assets</b>		
<i>First Pari Passu Charge</i>		
Trade Receivables	7,460.68	-
Cash and Cash Equivalents	894.63	-
<b>Non Financial Assets</b>		
<i>Pari Passu Charge</i>		
Contract Assets	3,113.08	-
Other Current Assets	1,080.68	-
<b>Total Current Assets pledged as security</b>	<b>12,549.07</b>	<b>-</b>
<b>Non Current Assets</b>		
<i>First Pari Passu Charge</i>		
Furnitures & Fixtures	3.72	-
Data Processing Equipments	95.09	-
Office Equipments	11.59	-
Right of Use asset	951.14	-
Other Financial Assets	223.03	-
<b>First Ranking Exclusive Charge/Lien</b>		
Non Current Investments	505.66	-
<b>Total Non Current Assets pledged as security</b>	<b>1,790.24</b>	<b>-</b>
<b>Total Assets pledged as security</b>	<b>14,339.30</b>	<b>-</b>

**Net debt reconciliation**

This section sets out an analysis of the net debt and the movement in net debts for each of the period presented

**Particulars**

Cash and cash equivalents  
Borrowings  
Lease liabilities  
Net debt

March 31, 2025	March 31, 2024
894.63	292.17
(23,708.56)	(14,175.09)
(1,301.50)	(1,692.02)
<b>(24,115.43)</b>	<b>(15,574.94)</b>

**Movement of cash and cash equivalents**

Opening balance  
Cashflows  
Closing balance

March 31, 2025	March 31, 2024
292.17	1.46
548.99	290.71
<b>841.16</b>	<b>292.17</b>

**Movement of borrowings**

Opening balance  
Cashflows  
Interest expense  
Interest paid  
Others  
Closing balance

March 31, 2025	March 31, 2024
14,175.09	6,295.44
9,327.11	6,738.80
1,909.95	1,140.85
(1,688.33)	-
(15.26)	-
<b>23,708.56</b>	<b>14,175.09</b>

**Movement of lease liability (Refer Note 4)**



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 14: TRADE PAYABLES**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 33)	346.57	169.76
(B) Total outstanding dues of creditors other than micro and small enterprises:		
- Trade payables to related parties	2,745.45	7,371.41
- Others	3,999.92	2,484.13
<b>Total Trade Payables</b>	<u>7,091.94</u>	<u>10,025.30</u>

**Trade Payable ageing March 31, 2025**

Particulars	Unbilled	Not due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME-Undisputed	-	154.71	168.76	-	-	-	323.47
(ii) Others- undisputed	1,244.94	498.35	5,025.17	-	-	-	6,768.46
<b>Total</b>	<b>1,244.94</b>	<b>653.06</b>	<b>5,193.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,091.93</b>

**Trade Payable ageing March 31, 2024**

Particulars	Unbilled	Not due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME-Undisputed	-	95.13	74.62	-	-	-	169.76
(ii) Others- undisputed	879.68	979.93	7,995.93	-	-	-	9,855.54
<b>Total</b>	<b>879.68</b>	<b>1,075.06</b>	<b>8,070.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,025.30</b>

**NOTE 15: OTHER FINANCIAL LIABILITIES**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<b>Current</b>		
Employee benefits payable	655.53	1,208.91
Others	-	13.76
<b>Total other financial liabilities</b>	<u>655.53</u>	<u>1,222.67</u>



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 16: EMPLOYEE BENEFIT OBLIGATIONS**

	March 31, 2025	March 31, 2024
<b>Non Current</b>		
Provision for gratuity	897.81	857.12
Provision for compensated absences	-	-
<b>Total non-current employee benefit obligations</b>	<b>897.81</b>	<b>857.12</b>
<b>Current</b>		
Provision for gratuity	62.78	61.54
Provision for compensated absences	578.01	572.02
<b>Total current employee benefit obligations</b>	<b>640.78</b>	<b>633.56</b>

**i) Compensated Absences**

The compensated absences cover the company's liability for sick and privilege leave. The company does not have an unconditional right to defer settlement for any of these obligations and accordingly amount has been classified as current. However, based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	March 31, 2025	March 31, 2024
Leave obligations not expected to be settled within the next 12 months	521.68	513.50

**ii) Post employment benefit obligation - Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972 (amended). Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

**Changes in the present value of the defined benefit obligation are as follows:**

Particulars	March 31, 2025	March 31, 2024
Defined benefit obligation at the beginning of the year	918.66	316.11
Current service cost	258.57	271.03
Interest cost	66.14	24.42
Liability Transferred Out/ Divestments		391.71
Actuarial (gain)/loss due to		
- change in Demographic Assumptions	-	12.65
- change in Financial Assumptions	30.96	13.61
- Experience	(134.01)	-
Benefits paid	(179.74)	(110.86)
<b>Defined benefit obligations at the end of the year</b>	<b>960.59</b>	<b>918.66</b>

**Details of defined benefit obligation**

Particulars	March 31, 2025	March 31, 2024
Present value of defined benefit obligation	960.59	918.66
<b>Defined benefit liability</b>	<b>960.59</b>	<b>918.66</b>



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 16: EMPLOYEE BENEFIT OBLIGATIONS**

**Net employee benefit expense recognised in the statement of profit and loss:**

Particulars	March 31, 2025	March 31, 2024
Current service cost	258.57	687.16
(-) Cost pertaining to transferred employees*	(130.08)	(391.71)
Expected return on plan assets	-	-
<b>Net benefit expense</b>	<b>128.49</b>	<b>295.45</b>

\* Current year charge is net of Rs. 130.08 as on March 31, 2025 reimbursed by Vendanta Limited entities with respect to the employees transferred from Vedanta group entities to STL Digital Limited. Previous year charge is net of Rs. 391.71 lakhs reimbursed by Vendanta Group entities with respect to the employees transferred from Sterlite Technologies Limited for the period from the initial date of joining up to the date of transfer of employee to STL Digital Limited (The Company).

**Net employee benefit expense recognised in the other comprehensive income (OCI):**

Particulars	March 31, 2025	March 31, 2024
Actuarial (gains)/losses	(103.05)	26.25
Return on Plan Assets (Excluding Interest Income)	-	-
<b>Net (income)/expense for the year recognized in OCI</b>	<b>(103.05)</b>	<b>26.25</b>

**The principal assumptions used in determining defined benefit obligation are shown below:**

Particulars	March 31, 2025	March 31, 2024
Discount rate	7.20%	7.41%
Employee turnover	9.00%	9.00%
Expected rate of salary increase	8.00%	8.00%

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

The discount rate is based on the par-yield rate available on Government Securities (G. Sec.) prevailing on reporting date, applicable to the period over which the obligations to be settled.

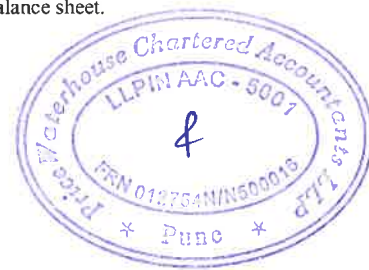
**Maturity analysis of benefit payments:**

Projected Benefits Payable in Future Years From the Date of Reporting	March 31, 2025	March 31, 2024
1st Following Year	62.78	61.54
2nd Following Year	51.85	61.57
3rd Following Year	73.32	51.98
4th Following Year	168.40	82.63
5th Following Year	134.33	162.57
Sum of Years 6 To 10	428.88	475.18
Sum of Years 11 and above	796.81	857.76

**Sensitivity Analysis**

Particulars	March 31, 2025	March 31, 2024
+1% Change in discount rate	(62.47)	(61.69)
-1% Change in discount rate	70.98	70.14
+1% Change in rate of salary increase	69.40	68.91
-1% Change in rate of salary increase	(62.32)	(61.79)
+1% Change in rate of employee turnover	(14.71)	(13.88)
-1% Change in rate of employee turnover	15.58	14.58

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 16: EMPLOYEE BENEFIT OBLIGATIONS**

**Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

**Interest rate risk:**

A fall in the discount rate which is linked to the Government Security rate will increase the present value of the liability requiring higher provision.

**Salary risk:**

Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this risk.

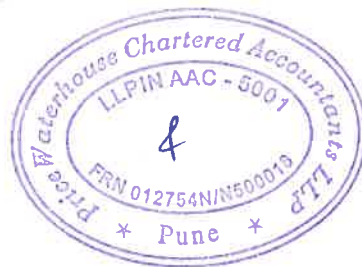
**Asset liability matching risk:**

The plan faces the Asset liability matching risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.

**Mortality risk**

Mortality risk has been considered as per Indian Assured Lives Mortality 2012-14 (Urban). Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2024 - 8 years).



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 17A: CONTRACT LIABILITIES**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<b>Contract Liabilities</b>		
Unearned Revenue	459.58	375.98
<b>Total Contract Liabilities</b>	<u>459.58</u>	<u>375.98</u>

**Significant changes in contract liabilities**

Amount of revenue recognised that was included in the contract liability balance as at the beginning of the period Rs. 375.98 Lakhs (previous year Rs. 260.21). Unearned revenue has been increased in current year due to increased billing during the year on revenue contracts.

**NOTE 17B: OTHER CURRENT LIABILITIES**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<b>Current</b>		
Statutory taxes payable	417.59	1,129.15
Payroll taxes	124.96	146.64
<b>Total Other Current Liabilities</b>	<u>542.55</u>	<u>1,275.79</u>

**NOTE 18: Revenue from operations**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Revenue from Contract with Customers		
Revenue from sale of services	19,077.33	17,422.86
Other operating revenue*	4,465.25	6,033.85
<b>Revenue from operations</b>	<u>23,542.58</u>	<u>23,456.72</u>

**Unsatisfied long term consulting contracts:**

The following table shows unsatisfied performance obligations resulting from fixed - price long-term contracts

The revenue from contracts with customers are for periods of one year or less or are billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed

\* Other operating revenue is relates to revenue from Intercompanies, based on mark up retention for sales and marketing and distribution services.

**Reconciliation of Revenue Recognised with contract price**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Contract Price	23,542.58	23,456.72
Adjustments	-	-
<b>Revenue from continuing operations</b>	<u>23,542.58</u>	<u>23,456.72</u>

Revenue disaggregation in terms of nature has been included above.

**NOTE 19: OTHER INCOME**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Unwinding of discount on security deposits	4.29	16.82
Interest on income tax refund	88.02	24.37
Exchange difference (net)	2.51	74.53
Interest on Mutual Fund Investments	10.12	-
Liabilities / provisions written back	-	27.16
<b>Total Other Income</b>	<u>104.94</u>	<u>142.88</u>



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 20: EMPLOYEE BENEFITS EXPENSE**

	March 31, 2025	March 31, 2024
Salaries, wages and bonus	13,788.77	15,838.74
Contribution to provident fund	737.35	809.78
Employees stock option expenses (refer note 28)	4.30	101.10
Gratuity expenses (refer note 16)	128.49	295.45
Staff welfare expenses	420.78	455.39
<b>Employee benefits expense</b>	<b>15,079.69</b>	<b>17,500.46</b>

**Defined Contribution Plans**

The Company has a provident fund plan which is a defined contribution plan. Contributions are made to provident fund by the Government in India for employees at the rate of 12% of basic salary as per local regulations. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	March 31, 2025	March 31, 2024
Contribution to employees provident fund	737.35	809.78
<b>Total</b>	<b>737.35</b>	<b>809.78</b>

**NOTE 21: OTHER EXPENSES**

	March 31, 2025	March 31, 2024
Repairs and maintenance	8.21	36.78
Rates and taxes	0.60	0.41
Legal and professional Fees	97.45	129.10
Onsite support services (refer note 26)	5,964.46	8,401.86
Travelling and conveyance	244.53	452.77
Insurance	23.95	33.08
Sales commission	27.77	47.87
Sales promotion	11.97	26.12
Subscription and Annual Maintenance Charges	1,887.04	1,217.34
Third party cost for service delivery to clients	1,007.67	2,009.73
Rent	354.44	328.30
Recruitment charges	237.32	380.78
Contractual employee expenses	935.74	1,652.92
Group IT and other support charges (refer note 26)	503.67	385.56
Payment to auditors (refer note below)	15.20	18.00
Miscellaneous expenses	380.98	189.15
<b>Total other expenses</b>	<b>11,701.01</b>	<b>15,309.78</b>

	March 31, 2025	March 31, 2024
<b>NOTE 21A - PAYMENT TO AUDITORS</b>		
<b>As auditor:</b>		
Audit fee	13.20	16.00
Tax audit fee	2.00	2.00
	<b>15.20</b>	<b>18.00</b>

**NOTE 22A: DEPRECIATION**

	March 31, 2025	March 31, 2024
Depreciation of property, plant and equipment	61.04	80.05
Depreciation of right of use assets	427.63	449.24
Amortisation of intangible assets	0.53	0.53
<b>Total depreciation and amortization expense</b>	<b>489.20</b>	<b>529.82</b>

**NOTE 22B: FINANCE COST**

	March 31, 2025	March 31, 2024
Interest and Finance Charges on lease liability	137.75	168.52
Interest on borrowings	1,909.95	1,140.85
Interest others	0.01	26.05
<b>Total Finance cost</b>	<b>2,047.71</b>	<b>1,335.42</b>



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 23: DEFERRED TAX ASSETS (NET) AND CURRENT TAX**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<b>Deferred tax liabilities</b>		
Property, plant and equipment: Impact of difference between tax depreciation and depreciation for financial reporting	5.44	20.27
Right of use assets	239.38	347.01
<b>Total deferred tax liabilities (A)</b>	<b>244.82</b>	<b>367.28</b>
<b>Deferred tax assets</b>		
Lease liabilities	(327.56)	(425.85)
Defined benefit obligations	(387.23)	(381.79)
Security deposits	-	(11.70)
Tax losses	(4,679.34)	(3,335.44)
Others	(81.49)	(42.31)
<b>Total deferred tax asset (B)</b>	<b>(5,475.63)</b>	<b>(4,197.09)</b>
<b>Net deferred tax assets (A + B)</b>	<b>(5,230.81)</b>	<b>(3,829.81)</b>

As at March 31, 2025, the Company has 19,366.77 Lakhs (March 31, 2024: 13,448.99 Lakhs) of tax losses carried forward as per income tax records of the Company. These losses pertain to unabsorbed business loss as at March 31, 2025 of 19,196.80 Lakhs (March 31, 2024: 13,329.22 Lakhs) which has an expiry of eight years and unabsorbed depreciation loss as at March 31, 2025 of 169.97 Lakhs (March 31, 2024: 119.77 Lakhs) which do not have any expiry period.

The Company has recognised deferred tax assets on carried forward tax losses as the Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. There are no remaining tax losses on which deferred tax assets has not been recognised.

**Movement in deferred tax assets and liabilities**

<b>Particulars</b>	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<b>a. Statement of Profit and Loss</b>		
<b>Movements in deferred tax liabilities</b>		
Property, plant and equipment: Impact of difference between tax depreciation and depreciation for financial reporting	(14.83)	13.59
Right to use asset	(107.63)	(130.01)
<b>Movements in deferred tax assets</b>		
Lease liability	98.29	76.84
Defined benefit obligations	(31.38)	(222.99)
Security deposits	11.70	3.92
Tax losses	(1,343.90)	(2,652.18)
Others	(39.18)	(42.31)
<b>Total (Credit) / Charge to statement of profit and loss account</b>	<b>(1,426.93)</b>	<b>(2,953.14)</b>
<b>b. Statement of other comprehensive income</b>		
<b>Movements in deferred tax assets</b>		
Defined Benefit obligations	25.94	6.61
<b>Total (Credit) / Charge to statement of other comprehensive income</b>	<b>25.94</b>	<b>6.61</b>



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**Reconciliation of Tax Expense**

<b>Particulars</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Accounting Profit / (Loss) before Tax	(5,670.09)	(11,075.87)
Tax at India's Statutory Income Tax rate of 25.168% (March 31, 2024 : 25.168%)	(1,427.05)	(2,787.58)
Tax effect of amounts which are not deductible / taxable in calculating income tax	-	(191.02)
Others	0.11	25.46
<b>Income Tax</b>	<b>(1,426.94)</b>	<b>(2,953.14)</b>
Income tax reported in statement of profit and loss	(1,426.94)	(2,953.14)

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961 that has not been recorded in the books of accounts.

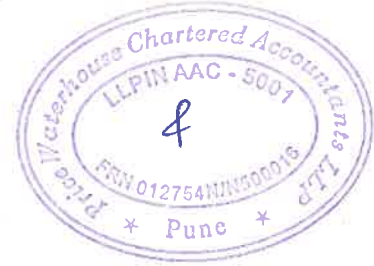
**NOTE 24: LOSS PER SHARE**

Basic loss per share amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following table shows the computation of basic loss per share:

	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Loss for the year	(4,243.15)	(8,122.74)
Weighted average number of equity shares for calculating basic and diluted EPS	50,000.00	50,000.00
Loss per share		
Basic and diluted (on nominal value of Rs. 10 per share) per share (Rs.)	(8,486.30)	(16,245.49)

There is no dilution to the basic loss per share as there are no dilutive potential equity shares.



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 25: FAIR VALUE MEASUREMENT****Financial Instruments by category**

	March 31, 2025		March 31, 2024	
	FVPL	Amortised cost	FVPL	Amortised cost
<b>Financial Assets</b>				
Trade receivables	-	7,460.68	-	10,545.82
Cash and cash equivalents	-	894.63	-	345.64
Security deposits	-	223.03	-	201.77
Loans	-	-	-	0.50
Other financial assets	-	-	-	-
Investment in Mutual Fund	505.66	-	-	-
<b>Total Financial assets</b>	<b>505.66</b>	<b>8,578.34</b>	<b>-</b>	<b>11,093.73</b>
<b>Financials liabilities</b>				
Borrowings	-	23,708.56	-	14,175.09
Trade payables	-	7,091.94	-	10,025.30
Other financial liabilities	-	655.53	-	1,222.67
<b>Total Financial liabilities</b>	<b>-</b>	<b>31,456.03</b>	<b>-</b>	<b>25,423.06</b>

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

**Fair value of financial assets and liabilities measured at cost**

The finance department of the Company includes a team that oversees the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values

The management assessed that cash and cash equivalents, trade receivables, trade payables, other current assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

All the above financial assets and financial liabilities are catergorized as level 3.

**Valuation technique used to determine fair value**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of mutual funds are based on NAV at the reporting date.

The value of security deposit is determined using the present value of future cash flows based on the prevailing bank interest rates at the inception date.



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 26: RELATED PARTY TRANSACTIONS****A. Name of related party and nature of relationships:****Related parties where control exists:**

Sterlite Technologies Limited	Immediate Holding Company
Twinstar Overseas Limited, Mauritius	Intermediate Holding Company
Vedanta Incorporated, Bahamas	Ultimate Holding Company

**Note on ultimate holding company**

Sterlite Technologies Limited (Immediate holding company) is a majority owned & controlled subsidiary of Twinstar Overseas Limited (Twin star). Vedanta Incorporated holds 100% of voting rights of Twin star. Vedanta Incorporated is 100% beneficiary owned & controlled by Mr. Anil Agarwal discretionary trust ("Trust"). Mr. Anil Agarwal is the protector and one of the beneficiaries of the trust. Twin star, Vedanta Incorporated & trust do not produce group financial statements.

**Other related parties**

STL Digital Inc	Subsidiary
STL Digital UK Limited	Subsidiary
Vedanta Limited	Fellow subsidiary
Sterlite Technologies Inc.	Fellow subsidiary
Hindustan Zinc Limited	Fellow subsidiary
Ferro Alloys Corporation Limited (FACOR)	Fellow subsidiary
ESL Steel limited	Fellow subsidiary
Talwandi Sabo Power Limited	Fellow subsidiary
Bharat Aluminium Company Limited	Fellow subsidiary
Malco Energy Limited	Fellow subsidiary
Sterlite Technologies UK Ventures Ltd	Fellow subsidiary
Sterlite Tech Cables Solutions Limited	Fellow subsidiary
Sterlite Power Transmission Limited	Fellow subsidiary
The Anil Agarwal Foundation	Fellow subsidiary

**Key Management Personnel (KMP)**

Ankit Agarwal - Director - Appointed wef 20th December 2018  
Pankaj Aggarwal - Director - Resigned as on 28th July 2023  
Sumit Mukherjee - Director - Resigned as on 11th August 2023  
Raman Venkatraman - Director - Resigned wef 31st July 2024  
Naveen Bolalingappa - Director - Appointed wef 31st July 2024  
Tushar Shroff - Director - Appointed wef 31st July 2024  
Anil Agarwal - Director - Appointed as on 28th July 2023

**B. Transactions with related parties during the year and their outstanding balances are as follows:****Sterlite Technologies Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Interest on borrowing	Holding Company	1,816.25	1,140.85
Loan taken during the year	Holding Company	12,872.35	26,784.16
Loan repaid during the year	Holding Company	9,045.23	20,045.82
Sale of Services	Holding Company	4,867.09	4,940.58
Principal elements of lease payments	Holding Company	-	38.40
Interest charged on lease	Holding Company	-	6.19
Onsite support service Expenses	Holding Company	-	101.33
Group IT and other support charges	Holding Company	503.67	385.56
Purchase of Digital business undertaking	Holding Company	-	1,759.79

**STL Digital Inc**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Subsidiary	4,137.77	5,364.34
Onsite support service expenses		4,782.18	6,611.47

**STL Digital UK Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Subsidiary	327.48	669.51
Onsite support service expenses		851.02	218.84



**STL DIGITAL LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**Sterlite Technologies Inc**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	34.12	-
Onsite support service expenses		331.25	1,470.23

**Sterlite Technologies UK Ventures Ltd**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	11.73	-
Purchase of services		5.72	788.90

**Vedanta Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	11,532.60	7,750.22

**Hindustan zinc Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	4,270.11	2,347.66

**Ferro Alloys Corporation Limited (FACOR)**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	338.92	203.00

**ESL Steel limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	895.18	854.17

**Bharat Aluminium Company Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	1,138.61	843.09

**Talwandi Sabo Power Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	132.24	59.61

**MALCO Energy Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	103.23	41.24

**Sterlite Power Transmission Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	-	5.69

**Sterlite Tech Cables Solutions Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow Subsidiary	31.45	20.12

**The Anil Agarwal Foundation**

Particulars	Relationship	March 31, 2025	March 31, 2024
Sale of Services	Fellow subsidiary	-	24.45

**C. Outstanding balances:**

**Sterlite Technologies Limited**

Particulars	Relationship	March 31, 2025	March 31, 2024
Trade payables	Holding Company	1,027.20	2,383.10
Trade receivables	Holding Company		
- Billed		992.18	3,122.74
- Unbilled		17.34	332.19
Loans (includes interest accrued)	Holding Company	18,124.24	14,175.09

**STL Digital Inc**

Particulars	Relationship	March 31, 2025	March 31, 2024
Trade receivables	Subsidiary	531.83	3,943.45
Trade payables	Subsidiary	805.26	3,976.38

**STL Digital UK Ltd**

Particulars	Relationship	March 31, 2025	March 31, 2024
Trade receivables	Subsidiary	324.12	658.75
Trade payables	Subsidiary	283.62	220.40



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

<b>Sterlite Technologies Inc</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade payables	Fellow Subsidiary	629.36	791.52
<b>Sterlite Technologies UK Ventures Ltd</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivable	Fellow Subsidiary	8.08	17.31
<b>Vedanta Limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	1,863.64	936.06
Contract Asset	Fellow Subsidiary	2,379.78	94.64
<b>Hindustan zinc Limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	464.94	177.85
<b>Ferro Alloys Corporation Limited (FACOR)</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	65.60	15.60
<b>Talwandi Sabo Power Limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	37.18	3.48
<b>Bharat Aluminium Company Limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	112.55	40.44
<b>Vedanta ESL steel limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Holding Company	378.64	43.30
<b>Sterlite Tech Cables Solutions Limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	6.28	6.27
<b>Sterlite Power Transmission Limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	-	1.73
<b>MALCO Energy Limited</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	15.94	2.87
<b>The Anil Agarwal Foundation</b>			
<b>Particulars</b>	<b>Relationship</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables	Fellow Subsidiary	-	17.16

Notes:

- 1) All outstanding balances are unsecured and repayable in cash
- 2) The transactions with the related parties disclosed above are net of goods and services tax (as applicable).
- 3) The outstanding balances of related parties disclosed above are gross of goods and services tax (as applicable).



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 27: FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities comprise of borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include, trade and other receivables, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations.

**Credit Risk Management**

The Company is exposed to credit risk, liquidity risk and market risk (foreign exchange and interest rate). The Company's senior management oversees the management of these risks. All risk management activities are carried out by specialist teams that have the appropriate skills, experience and supervision. The Company reviews and agrees policies for managing each of these risks, which are summarised below:

The Risk Management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are approved and reviewed regularly by Board to reflect changes in market conditions and the Company's activities.

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, liquidity risk and market risk.

Customer credit risk is managed by top management subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on credit rating and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

**A. Credit risk**

Credit risk arises from cash and cash equivalents, exposures to customers including outstanding receivables and other financial assets.

**Trade Receivables and Unbilled Revenue**

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due, the contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The company has therefore concluded that they expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

An impairment analysis is performed at each reporting date on an individual basis for the customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. During the year, the Company made no write-offs of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. As significant outstanding trade receivable are outstanding from its related parties, credit risk related to these receivables and contract assets is considered to be low. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation and based on assessment performed management has concluded that impact of expected credit loss is not material and no provision has been made against trade receivable to cover the provision on account of expected credit loss.

**Financial assets and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2025 and March 31, 2024 is the carrying amounts of each class of financial assets.

The company's customer profile for revenue contracts majorly includes its related parties. Accordingly, the company's customer credit risk is low. General payment terms include payments with a credit period ranging from 30 to 180 days.

**B. Liquidity Risk**

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects.

The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity. The Company also has financial support from its holding Company to meet its liquidity requirements as and when required.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 - 90 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Payable on demand	Less than 3 months	3 to 12 months	1 year to 5 years	Total
<b>As at March 31, 2025</b>					
Trade payables	-	7,091.94	-	-	7,091.94
Lease Liability	-	137.41	388.74	938.68	1,464.83
Borrowings	18,124.24	230.00	811.69	5,465.63	24,631.56
Other financial liabilities	-	655.53	-	-	655.53
	<b>18,124.24</b>	<b>8,114.88</b>	<b>1,200.43</b>	<b>6,404.31</b>	<b>33,843.86</b>
<b>As at March 31, 2024</b>					
Trade payables	-	10,025.30	-	-	10,025.30
Lease Liability	-	206.84	601.38	1,468.58	2,276.80
Borrowings	14,175.09	-	-	-	14,175.09
Other financial liabilities	-	1,222.67	-	-	1,222.67
	<b>14,175.09</b>	<b>11,454.81</b>	<b>601.38</b>	<b>1,468.58</b>	<b>27,699.87</b>



STL DIGITAL LIMITED  
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025  
 (All amounts are in ₹ lakhs, unless otherwise stated)

C. Market risk

Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO, GBP, AED and and JPY. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

March 31, 2025				(Rs. In Lakhs)		
Financial Assets	USD	GBP	AED			
Trade receivable	1,399.98	643.53	71.22			
Net Exposure to foreign currency risk (Assets)	1,399.98	643.53	71.22			

March 31, 2025					(Rs. In Lakhs)		
Financial Liabilities	USD	Euro	GBP	AED			
Trade Payables	384.18	-	216.53	0.10			
Net Exposure to foreign currency risk (Liabilities)	384.18	-	216.53	0.10			

March 31, 2024			(Rs. In Lakhs)	
Financial Assets	USD	GBP		
Trade receivable	4,348.46	908.93		
Net Exposure to foreign currency risk (Liabilities)	4,348.46	908.93		

March 31, 2024					(Rs. In Lakhs)		
Financial Liabilities	USD	Euro	GBP	JPY			
Trade Payables	4,810.16	7.79	147.10	2.35			
Net Exposure to foreign currency risk (Liabilities)	58.47	0.01	1.40	3.83			

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, JPY, AED and GBP exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The company's exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the company's profit before tax is affected through the impact on change of foreign currency rate as follows -

Particulars	Change in Rate	Impact on loss before tax (Increase / (Decrease))	
		March 31, 2025	March 31, 2024
USD Sensitivity	+5%	(50.79)	0.28
	-5%	50.79	(0.28)
GBP Sensitivity	+5%	(21.35)	(0.37)
	-5%	21.35	0.37
EUR Sensitivity	+5%	-	0.00
	-5%	-	(0.00)
AED Sensitivity	+5%	0.01	-
	-5%	(0.01)	-
JPY Sensitivity	+5%	-	0.19
	-5%	-	(0.19)

Interest rate risk

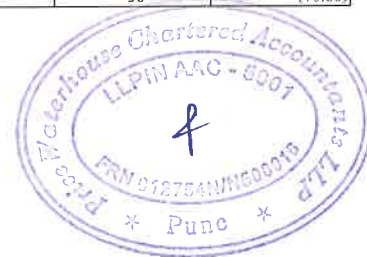
Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The company's exposure to the risk of changes in interest rate primarily relates to the company's debt obligations with floating interest rates.

The company is exposed to the interest rate fluctuation in domestic market. The company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. At March 31, 2025, 23% of the company's borrowings are at a fixed rate of interest (March 31, 2024: 0%).

	March 31, 2025	March 31, 2024
Variable rate borrowings	18,124.24	14,175.09
Fixed rate borrowings	5,584.32	-
<b>Total borrowings</b>	<b>23,708.56</b>	<b>14,175.09</b>

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on borrowings at variable interest rate. With all the other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/Decrease in Basis Points	Effect on profit before tax / pre-tax equity Decrease/ (increase)
March 31, 2025		
Base Rate	+50	118.54
Base Rate	-50	(118.54)
March 31, 2024		
Base Rate	+50	70.88
Base Rate	-50	(70.88)



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**Note 28 : EMPLOYEE SHARE BASED PAYMENTS**

The Parent Company (Sterlite Technologies Limited) of the company has established employees stock options plan, 2010 ("ESOP Scheme") for its employees and employees of its subsidiaries pursuant to the special resolution passed by shareholders at the annual general meeting held on July 14, 2010. The employee stock option plan is designed to provide incentives to the employees to deliver long-term returns and is an equity settled plan. The ESOP Scheme is administered by the Nomination and Remuneration Committee of the parent entity. Participation in the plan is at the Nomination and Remuneration Committee's discretion and no individual has a contractual right to participate in the ESOP Scheme or to receive any guaranteed benefits. Options granted under ESOP scheme would vest in not less than one year and not more than five years from the date of grant of the options. The Nomination and Remuneration Committee of the Company has approved multiple grants with related vesting conditions. Vesting of the options would be subject to continuous employment with the Company and hence, the options would vest with passage of time. In addition to this, the Nomination and Remuneration Committee may also specify certain performance parameters subject to which the options would vest. Such options would vest when the performance parameters are met.

Once vested, the options remain exercisable for a period of maximum five years. Options granted under the plan are for no consideration and carry no dividend or voting rights. On exercise, each option is convertible into one equity share. The exercise price is ₹ 2 per option.

The ESOP Scheme of the Parent Company is also applicable for the eligible employees of the company.

The Company has charged ₹ 4.30 lakhs (March 31, 2023: 101.10 lakhs) to the statement of profit and loss in respect of options granted under ESOP scheme of the Parent Company.

**ESOP scheme of the Parent Company.**

	March 31, 2025		March 31, 2024	
	Average Exercise price per share option (INR)	Number of Options	Average Exercise price per share option (INR)	Number of Options
Opening Balance	2	296,416	2	263,984
Granted during the year	2	201,400	2	159,100
Exercised during the year	2	(39,726)	2	-
Expired/cancelled during the year	2	(77,805)	2	(126,668)
<b>Closing Balance</b>		<b>380,285</b>		<b>296,416</b>
Vested and Exercisable		47,887		65,055

Weighted average share price at the date of exercise of options exercised during the year ended March 31, 2025 is ₹127 (March 31, 2024: ₹ 150).

Share options outstanding at the end of the year have the following expiry date and exercise prices.

Grant Date	Expiry Date	Exercise Price (INR)	Share options outstanding on March 31, 2025	Share options outstanding on March 31, 2024
30 March 2015	01 June 2025	2	-	3,000
25 July 2016	01 August 2026	2	-	1,500
19 July 2017	01 August 2027	2	300	300
19 July 2018	01 August 2028	2	-	2,170
24 October 2019	24 October 2029	2	4,030	4,790
22 July 2020	31 July 2030	2	4,398	7,968
21 July 2021	31 July 2031	2	3,138	7,068
19 July 2022	31 July 2032	2	44,128	95,002
25 January 2023	26 January 2033	2	125,191	15,518
26 July 2023	31 July 2033	2	-	159,100
20 August 2024	19 August 2033	2	199,100	-
<b>Total</b>			<b>380,285</b>	<b>296,416</b>

Weighted Average remaining contractual life of the options outstanding at the end of the period

3.97

4.67



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**b) Fair Value of the options granted during the current year-**

Following are the details of assumptions under the grant, related vesting conditions and fair valuation model used based on the nature of vesting.

**(I) Date of Grant- 20 August 2024**

The Company has granted 2,01,400 options under ESOP scheme based on following criteria and related assumptions

1. Vesting criteria - Assured Vesting of 50% Of Options in five years, provided that employees are in service as on the date of vesting.

Fair Valuation Method- Black Scholes options Pricing Model

Variables	Vest 1	Vest 2	Vest 2	Vest 2
	20 August 2025	20 August 2026	20 August 2027	20 August 2028
Share price at Grant Date	135.50	135.50	135.50	135.50
Volatility	42.30%	42.30%	42.30%	42.30%
Risk Free rate	6.80%	6.80%	6.80%	6.80%
Exercise Price (Rs per Option)	2.00	2.00	2.00	2.00
Life of the Option (years)	2.50	2.50	2.50	2.50
Dividend Yield	0.30%	0.30%	0.30%	0.30%
<b>Outputs</b>				
Option Fair value	132.8	132.80	132.80	132.80
Vesting Percentage	25.00%	25.00%	25.00%	25.00%
<b>Fair Value of the option (Black Scholes Model)</b>				<b>132.80</b>

2. Vesting criteria - 75% options will vest upon meeting of revenue targets and 25% options will vest upon meeting of EBITDA targets as per agreed business plan for FY25

Fair Valuation Method - Monte carlo simulation model

Vesting of these options is dependent on the achievement of target EBITDA and Revenue during the performance of FY 2024-25 as per the criteria determined by Nomination and Remuneration Committee (i.e., as per agreed business plan for FY25 based on consolidated revenue and EBITDA). The Monte carlo model requires the

- the historical share price and expected volatility during the performance period
- Risk free interest rate of the company
- Dividend yield based on historical dividend payments
- Estimate of EBITDA and Revenue as per approved business plan
- Threshold of 80% achievement as per business plans and capped at 100% achievement
- Linear computation based on achievement against business plans.

Assumptions used are as follows:

Variables	EBITDA (25%)	Revenue (25%)
Share price at Grant Date	135.50	135.50
Volatility	44.20%	44.20%
Risk Free rate	6.80%	6.80%
Exercise Price (Rs per Option)	2.00	2.00
Life of the Option (years)	0.73	0.73
Dividend Yield	0.30%	0.30%
<b>Fair Value of the option</b>	<b>14.20</b>	<b>13.90</b>



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 29 : CAPITAL MANAGEMENT**

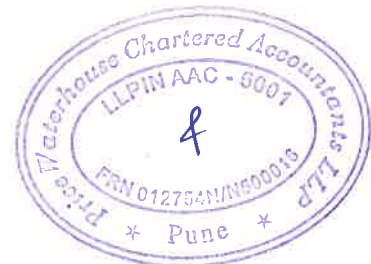
For the purpose of capital management of the company, capital includes issued equity capital and all other equity reserves attributable to the shareholders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating, healthy capital ratios in order to support its business and maximise shareholder value and optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans, borrowings and lease liabilities less cash and cash equivalents.

Particulars	March 31, 2025	March 31, 2024
Interest Bearing Loans, Borrowings and lease liabilities	25,010.06	15,867.12
Less: Cash and Cash equivalents	(894.63)	(345.64)
<b>Net debt</b>	<b>24,115.43</b>	<b>15,521.47</b>
Equity share capital	5.00	5.00
Other equity	(14,885.95)	(10,724.21)
<b>Total capital</b>	<b>(14,880.95)</b>	<b>(10,719.21)</b>
<b>Capital and net debt</b>	<b>9,234.49</b>	<b>4,802.26</b>
Gearing ratio	261.15%	323.21%

The current capital gearing ratio is at a high level since the company is in its initial years of operation and therefore has obtained funds from the parent entity by way of loans to meet its operational requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 30: CONTINGENT LIABILITIES**

There are no contingent liabilities outstanding as at the end of the year as at March 31, 2025 and March 31, 2024.

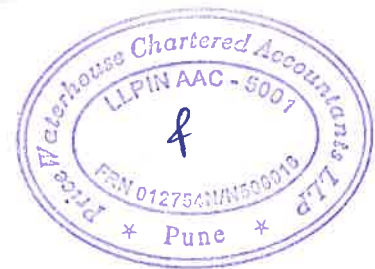
**NOTE 31: FINANCIAL PERFORMANCE RATIOS**

Particulars	March 31, 2025	March 31, 2024	Variation	Remarks
<b>A. Performance Ratio</b>				
Net profit ratio (Loss after tax and exceptional items) / (Revenue from operations)	-18.02%	-34.63%	-47.95%	Refer note (i) below
Net capital turnover ratio (Revenue from operations) / (Average working capital)	(1.50)	(2.46)	95.33%	Refer note (ii) below
Return on capital employed (Earnings before interest and tax) / (Closing capital employed*)	-41.04%	-282.01%	-85.45%	Refer note (i) below
Return on equity ratio (Loss after exceptional items and tax) / (Average shareholder's equity)	33.15%	121.26%	-72.66%	Refer note (i) below
Return on investment (Loss before tax) / (total assets)	-27.77%	-56.69%	-51.01%	Refer note (i) below
Debt service coverage ratio (Net profit after taxes + depreciations and other amortizations + other adjustments like loss on sale of PP&E) / (Interest and principal repayments including lease payments.	(0.15)	(0.30)	-49.04%	Refer note (i) below
<b>B. Leverage Ratios</b>				
Debt-equity ratio (Total debt) / (Total equity)	(1.59)	(1.32)	20.48%	
<b>C. Liquidity Ratios</b>				
Current ratio (Current assets) / (Current liabilities)	0.44	0.46	-3.90%	
<b>D. Activity Ratio</b>				
Inventory turnover ratio (Cost of goods sold) / (Closing inventory)	NA	NA	NA	
Trade receivables turnover ratio (Revenue from operations) / (Average current trade receivables)	2.61	2.66	-1.76%	
Trade payables turnover ratio (Cost of goods sold) / (Average trade payable)	NA	NA	NA	
*Closing capital employed = Tangible net worth + Gross debt + Deferred tax liability	8,826.23	3,453.96		

Note: Explanation for change in ratio by more than 25%

(i) The variation in performance base ratios is mainly due to decrease in loss during the year as compared to the previous year.

(ii) The variation is mainly due to improved average working capital compared to previous year



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 32: SEGMENT REPORTING**

The Company has only one reportable segment which is Digital business i.e. Providing IT support and other IT related services. Accordingly, separate segment information is not required to be disclosed.

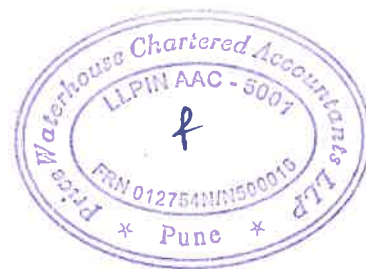
**Geographical information**

<b>Particulars</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
(i) Revenue from external customers		
- Within India	14,898.98	13,246.35
- Outside India	<u>8,643.60</u>	<u>10,210.36</u>
<b>Total revenue as per statement of profit and loss</b>	<b>23,542.58</b>	<b>23,456.72</b>

The revenue information above is based on the locations of the customers

(ii) Non-current assets		
- Within India	7,868.22	6,700.35
- Outside India	-	-
<b>Total Assets</b>	<b>7,868.22</b>	<b>6,700.35</b>

(iii) Revenue from top 3 customers amounting to INR 11,622.43 lakhs (March 31, 2024 - Top 5 customers amounting to INR 18,038.79 lakhs)



**STL DIGITAL LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ lakhs, unless otherwise stated)

**Note 33: Details of Dues to Micro and Small Enterprises as Defined Under MSMED Act, 2006**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	March 31, 2025	March 31, 2024
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal amount due to supplier	346.57	169.76
Interest amount due to supplier	12.67	10.43
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	12.67	10.43
(e) The 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 Micro, Small and Medium Enterprises Development Act, 2006	23.10	10.43

Amount due to Micro and Small enterprises are disclosed on the basis of information available with the Company regarding status of the suppliers as Micro and Small enterprises



**STL DIGITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
(All amounts are in ₹ lakhs, unless otherwise stated)

**NOTE 34: WILFUL DEFAULTER CLAUSE**

The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or any other Lender.

**NOTE 35: CORPORATE SOCIAL RESPONSIBILITY**

The company does not have any responsibility towards CSR as it does not meet the applicability criteria u/s 135 of Companies Act, 2013

**NOTE 36: CAPITAL AND OTHER COMMITMENTS**

The company does not have any contract that is remaining to be executed on capital account as at March 31, 2025 and March 31, 2024.

**NOTE 37: CRYPTO CURRENCY**

The Company has not traded or invested in crypto currency or virtual currency during the Current or Previous Year.

**NOTE 38: RELATIONSHIP WITH STRUCK OFF COMPANIES**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**NOTE 39: ULTIMATE BENEFICIARY CLAUSE**

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the ultimate beneficiaries.

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- 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.

**NOTE 40: COMPLIANCE WITH APPROVED SCHEME OF ARRANGEMENTS**

The company has not entered into any Scheme of Arrangements that are approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013.

**NOTE 41: REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES -**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**NOTE 42: COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES**

The Company has complied with number of layers prescribed under the Companies Act, 2013.

**NOTE 43: UNDISCLOSED INCOME**

There is no income surrendered or disclosed as income during the current or previous Year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**NOTE 44: PREVIOUS YEAR FIGURES**

Previous year figures have been reclassified / regrouped to conform to this year's classification.

The accompanying notes are an integral part of the Financial Statements  
As per our report of even date.

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number : 012754N/N500016



**Pawankumar Somani**  
Partner  
Membership Number: 137654  
Date : 16th May 2025  
Place: Mumbai

**For and on behalf of the Board of Directors of**  
**STL Digital Limited**



**Ankit Agarwal**  
Director  
DIN: 03344202  
Date : 16th May 2025  
Place: Mumbai



**Naveen Bolalingappa**  
Director  
DIN: 10720633  
Date : 16th May 2025  
Place: Bangalore