ANNUAL REPORT

ESDS SOFTWARE SOLUTION LIMITED

CIN:U72200MH2005PLC155433

FINANCIAL YEAR 2024-2025

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Corporate Information

BOARD OF DIRECTORS	**Mr. Piyush Somani** Chairman-cum-Managing Director
	Ms. Komal Somani Whole Time Director
	Mr. Jitendra Pathak Whole Time Director
	Mr. Dhandapani T. G. Independent Director
	Ms. Pamela Kumar Independent Director
	Mr. Venkatesh Natarajan Independent Director
Chief Financial Officer	Mr. Nadukuru Sita Ramaiah
Company Secretary	Mr. Prasad Deokar
Auditors	M/s. Shah Khandelwal Jain & Associates Chartered Accountants, Pune
Internal Auditors	M/s. Kirtane & Pandit LLP Chartered Accountants, Pune
Bankers	Axis Bank Limited IndusInd Bank ICICI Bank

REGISTERED OFFICE
Plot No. B- 24 & 25, NICE Area,
MIDC, Satpur, Nashik – 422 007
Maharashtra, India

CORPORATE OFFICE
B-01, Empire Tower, Mouje Elthan
Thane - 400 708
Maharashtra, India

Our Promoter

Promoter

Mr. Piyush Prakashchandra Somani is the founder and Promoter of the Company.

Mr. Piyush Prakashchandra Somani, Ms. Komal Piyush Somani and P.O. Somani Family Trust are our Promoters of the Company as identified by the Company in recently filed offer document with SEBI and Stock Exchange in view of proposed public issue. The Promoters viz. Mr. Piyush Prakashchandra Somani, Ms. Komal Piyush Somani and P.O. Somani Family Trust holds 24.54%, 10.13% and 11.19%, respectively, of the paid-up equity share capital of the Company.

Details of our Founder Promoter are as follows:

Mr. Piyush Prakashchandra Somani is the Promoter and Managing Director of our Company and Chairman of our Board. He holds a bachelor's degree in engineering (electronics) from the University of Pune. He has over 19 years of experience in the information technology sector. As the founder of our Company at the age of 26, he has been instrumental in expanding the operations of our Company in India and several international markets. He is also on the board of our Subsidiaries i.e. SPOCHUB Solutions Private Limited, ESDS Cloud FZ LLC and ESDS Global Software Solution, Inc.

Message from the Chairman

Dear Shareholder,

It is with conviction and gratitude that we present ESDS Software Solution Limited's Annual Financial Report for the fiscal year 2025. In a world defined by rapid change and evolving expectations, we pair measured optimism with a clear commitment to innovation that enables our customers and shareholders to grow with us.

Innovation and accountability remain our guiding principles. In FY 2025, ESDS advanced its technology agenda with an **AI-first** focus across GPU-as-a-Service, cloud services, managed services and managed security; bringing infrastructure, platforms, security and managed operations together as an **end-to-end IT services provider**.

We delivered a steady cadence of platform enhancements with Patch Manager, Firewall Groups with billing integration, eNlight 3600 v9.5.1 and a unified VM billing view to improve reliability, security posture and cost visibility for customers. We have strengthened execution discipline with a CMMI Level 5 upgrade; and advanced our **GPU-as-a-Service** capabilities for AI training and inference with faster provisioning, tighter workload isolation and improved performance monitoring. We launched **eNlight Bot**, an AI helpdesk assistant, the AI-driven **eNlight Cloud Self-Service Portal** and a 3D interactive ESDS website. Our expansions included an **AI Incubation Centre in Nashik** to translate applied research into product value; reinforced our compliance footprint across **70 industry standards** and **70 certification audits**. Our deepened reach through strategic partnerships with a global SI, ISVs and government-linked entities **expanded market access and opened new public-sector opportunities**.

Through these developments, our focus remains constant: to deliver durable value to every stakeholder. We will continue to uphold the highest standards of **integrity, transparency, governance and operational excellence**, recognizing that sustained performance is a journey, not a destination.

Looking ahead, our roadmap is compelling. We will deepen our **AI-first** capabilities, expand capacity for advanced workloads, strengthen security and governance and shorten **time-to-value** for customers and shareholders. The opportunity landscape is significant as **ESDS will expand its data-centre footprint with green, sustainable facilities and additional infrastructure capacity in strategic locations to extend reach and resilience.** Thank you for your continued confidence as we pursue sustainable growth, prudent capital allocation and long-term value creation.

Looking forward to your continued trust and partnership.

Sincerely,

Piyush Somani

Chairman-cum-Managing Director

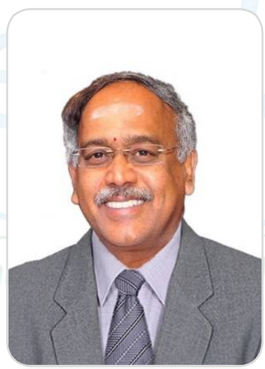
Board of Directors

Mr. Piyush Somani
Chairman-cum-Managing Director

Ms. Komal Somani
Whole Time Director

Mr. Jitendra Pathak
Whole-time Director

Ms. Pamela Kumar
Independent Director



Mr. Dhandapani T. G.
Independent Director

Mr. Venkatesh Natarajan
Independent Director

BRIEF PROFILES OF OUR DIRECTORS:

Piyush Prakashchandra Somani is the Promoter and Managing Director of our Company and Chairman of our Board. He holds a bachelor's degree in engineering (electronics) from the University of Pune. He has been associated with our Company since incorporation and has over 19 years of experience in the information technology sector. He is primarily responsible for overseeing overall strategy and business development functions of our Company. As the founder of our Company, he has been instrumental in expanding the operations of our Company in India and in international markets. He is also on the board of directors of our subsidiaries, SPOCHUB Solutions Private Limited, ESDS Cloud FZ-LLC and ESDS Global Software Solution, Inc.

Komal Somani is the Whole Time Director on our Board, the Chief Marketing Officer and Chief Human Resource Officer of our Company. She holds a Bachelor's Degree in Engineering from the University of Pune. She has been associated with our Company since September 01, 2012. She has won several awards and recognitions such as "Most Innovative Woman of the Year – 2018" at the 2nd She Leads Summit and Awards, 2018, was ranked amongst the 50 Most Innovative HR Technology Leaders 2017, and amongst the 25 Most Innovative HR Tech Leaders – 2016 at the Asia Pacific HRM Congress. She was also awarded the Maharashtra Nari Ratna Award 2017, Tejaswini Sanmaan by Swaraj in 2017 and Nashik Best HR Leaders – 2017. She is also on the board of Resvera Wines Private Limited.

Jitendra Pathak is the Whole-time Director on our Board and the Chief Operations Officer of our Company. He joined our Company on September 2, 2024. He holds a bachelor's degree in engineering from the Nagpur University and has passed the post-graduate diploma in business administration examination from Sardar Patel University. He has over 30 years of experience in the field of operations. He is primarily responsible for overseeing the overall management and technical operations functions of our Company. Prior to joining our Company, he was associated with RDM Services, Wifran Inc., Zenith Computers Limited, Vinamra Corporation, Wipro Infotech Limited, Vodafone India Services Private Limited, and ConnectWise LLP.

Dhandapani T. G. is an Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Madras and is an associate member of the Institute of Chartered Accountants of India. He has over 35 years of experience in the IT sector. He has completed the global program for management development by Ross School of Business, Michigan and the international seminar on IQC for Top Management organized by the Union of Japanese Scientists and Engineers. He was previously associated with Sundaram-Clayton Limited as their chief information officer.

Pamela Kumar is an Independent Director of our Company. She holds a bachelor's degree in engineering from the Panjab University and a master's degree in science from Rutgers the State University. She has completed the Executive General Management Programme conducted by the Indian Institute of Management Bangalore. Previously, she has been associated with AT&T Information Systems, Centre for Development of Telematics, Network Programs (India) Private Limited, Alliance Semiconductor (India) Private Limited, Texas Instruments (India) Limited, IBM India Private Limited, Hewlett-Packard India Software Operation Private Limited, and has previously been appointed as a Director General, India's Telecom Standards Development Organisation. She has over 15 years of experience in the field of systems and technology.

Venkatesh Natarajan, a Tech Visionary, is an Independent Director of the Company. He holds a Mechanical Engineer degree with a Post-Graduation in Engineering Management and Business Administration. He is also a Master of Technology (M. Tech) in Maintenance Engineering stream. He has also completed a PD Diploma in Computer Programming, Computer Software Engg. He has 33 years of multifaceted experience in the Manufacturing industry includes 25 years of focused expertise in 'IT embedded Business Transformation'. He was President-IT & Chief Digital Officer at Ashok Leyland Limited with over 20 years of association with the Ashok Leyland and has been responsible for evangelizing and turbocharging Digital Technology Practices and creating a pan-organization 'Data Driven Culture'. He has won multiple awards and recognitions for his Technology Stewardship.

BOARD'S REPORT

FY 2024-25

Dear Members,
ESDS Software Solution Limited

Your directors' have pleasure in presenting the Twentieth (20th) Annual Report ("the Report" / "this Report") along with audited financial statements of your Company, for the financial year ended March 31, 2025.

1. Financial Results

The financial performance of your Company for the year ended March 31, 2025 is summarized below:

(₹ in Millions except EPS)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Total Receipts / Gross Sales and Operating Income	3,735.34	2,870.05	3,766.42	2,921.36
Profit Before Depreciation, Tax and Exceptional Items	1,480.99	755.18	1,449.42	759.24
Depreciation and Amortisation Expenses	607.43	494.40	622.06	525.52
Profit/(Loss) Before Tax & Exceptional Items	873.57	260.78	827.36	233.72
Exceptional Items	1.41	10.74	1.41	10.74
Provision for Taxation	264.58	85.22	269.83	86.89
Profit/(Loss) after tax	607.57	164.83	556.11	136.10
Other Comprehensive Income	(2.18)	31.96	(12.51)	22.27
Total Comprehensive Income (post non-controlling interest)	605.40	196.79	543.60	158.37
Earnings per Equity Share (EPS) Basic (face value ₹ 1/- each) Diluted (face value ₹ 1/- each)	 6.37 6.37	 1.77 1.77	 5.83 5.83	 1.35 1.35

* Applicable only in case of consolidated financial statements.

Performance of the Company during FY 2024-25

The Company delivered a strong performance in FY 2024–25, underpinned by robust revenue growth, financial discipline, and a stronger global footprint. Revenue surged by 27% year-on-year, supported by steady domestic sales and a sharp rise in international contributions. Improved collections, strategic investments, equity raises, and marquee client acquisitions reinforce ESDS's solid financial base and sustained growth potential.

Revenue Growth & Market Performance

Total Revenue Growth: Revenue increased by 27%, from ₹ 2,813.68 million in FY 2023–24 to ₹ 3,574.28 million in FY 2024–25, reflecting strong growth momentum.

Domestic Sales: Grew steadily by 6%, reinforcing ESDS's dominance and strengthening its position in the Indian market.

International Revenue: Surged nearly 600%, from ₹ 99.93 million in FY 2023–24 to ₹ 696.92 million in FY 2024–25. Contribution from international customers rose sharply from 3.6% to 19.5%, validating the success of ESDS's global expansion strategy.

Geographic Diversification: Initially, domestic sales were the dominant contributor, but international markets are now emerging as a powerful growth engine, reducing dependency on a single geography.

The company raised equity twice: ₹ 760.00 million in Oct 2024 and ₹ 652.37 million in February 2025. Proceeds were utilized to redeem NCDs, significantly reducing debt, improving the debt-to-equity ratio, and lowering the interest burden.

These actions reflect strong financial management and a deliberate effort to strengthen the balance sheet.

Strategic Investments

Investment of ₹ 386.00 million made in subsidiary ESDS Cloud FZ LLC.

This marks a strategic step to expand international operations and unlock future growth opportunities.

New Orders & Client Base

ESDS secured 116 new orders in FY 2024–25 amounting to ₹ 425.52 million, significantly expanding its order book.

This inflow strengthens revenue visibility, enhances future cash flow stability, and reinforces the company's financial base.

Marquee clients include: Soteria Command Centre Pvt Ltd, Absolute Networks Pvt Ltd, Tanisi IT Services Pvt Ltd, Computer Centre Ministry of Statistics PI, Terumo India Pvt Ltd, Honeywell Automation India Ltd, Imperative Business Ventures Ltd, Maharashtra Industrial Township Ltd, Vidarbha Infotech Pvt Ltd, and Netlink Software Pvt Ltd.

These top clients validate ESDS's trusted position in the market and its ability to deliver sustained long-term growth.

STPI Partnership Impact

Nearly 40 new orders were secured through the STPI partnership in FY 2024–25.

Generated a Total Contract Value (TCV) of ₹ 60.72 million and an Annual Contract Value (ACV) of ₹ 50.82 million. These high-value contracts provide recurring cash flows, strengthen revenue visibility, and position ESDS on a firm financial footing.

The STPI partnership has emerged as a key growth driver for the company.

Collections & Cash Flow

Collections increased from ₹ 2,989.84 million in FY 24 to ₹ 3,852.78 million in FY 25, a rise of 29%. This growth reflects improved operational efficiency and stronger cash realization. Enhanced collections boost liquidity, strengthen working capital, and signal the sustainability of ESDS's growth trajectory.

This performance also provides additional confidence to stakeholders and investors.

Shareholder Returns

Delivered moderate returns of 6.45% in FY 24, but a much stronger 13.40% in FY 25. This reflects a significant improvement in profitability and enhanced shareholder value creation.

Leverage & Profitability

Leverage improved substantially from FY 24 to FY 25, driven by higher EBITDA and reduced debt. This improvement enhances the company's financial stability and strengthens its ability to fund future growth.

Other Key Metrices are mentioned below for FY 2024-25 Vs FY 2023-24.

(Rs in Million)

Particulars	FY 2024-25	FY 2023-24
Revenue from Operations	3,574.28	2,813.68
EBITDA	1,538.57	970.28
PBT	872.15	250.04
PAT	607.57	164.83
DEBT	627.12	1154.40
DEBT/EBITDA (Ratio)	0.40	1.18
ROE	17.15 %	6.72 %

DRHP Filing

Your Company has filed Draft Red Herring Prospectus ('DRHP') with Securities and Exchange Board of India ('SEBI') and the Stock Exchanges on 31st March, 2025, under the SEBI ICDR Regulations in relation to the proposed initial public offering ('IPO') of its Equity Shares on the main board of the Stock Exchanges, marking a key milestone in its capital-raising journey.

The proposed IPO comprises of a fresh issue of up to ₹ 6,000 million. Post IPO, equity shares of the Company are proposed to be listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). Your Company is awaiting the clearance from SEBI on the DRHP and has received in-Principle approval for the proposed listing of its shares from the BSE & NSE.

A total cost of ₹46.12 million up to March 31, 2025, has been shown under current assets.

2. Share Capital:

As at 31st March 2025, the Authorised Share Capital of the Company stood at ₹ 460 million consisting of 46,00,00,000 (Forty-Six Crore) equity shares of face value of ₹ 1/- each aggregating to ₹ 46,00,00,000 (Rupees Forty-Six Crore Only),

As at 31st March, 2025, the Company's paid-up Equity Share Capital stood at ₹ 10,04,27,753/- (Rupees Ten Crore, Four Lakh, Twenty-Seven Thousand, Seven Hundred Fifty-Three only) consisting of 10,04,27,753 fully paid-up Equity shares of ₹ 1/- each.

During the year, the Authorised capital of the company was reorganised by reclassification of all other classes of securities into ordinary equity shares, vide special resolution passed in the Extra-Ordinary General Meeting held on 25th January, 2025.

During the year, the Company has issued and allotted 75,33,568 fully paid-up Equity shares of ₹ 1/- each, on the preferential cum private placement basis to identified set of Investors. The details of the preferential cum private placement is given below;

- **Preferential cum Private Placement of Equity shares dated 25th October, 2024**

  The Company issued and allotted 46,34,151 (Forty-Six Lakh Thirty-Four Thousand and One Hundred Fifty-One) equity shares of face value of ₹ 1/- (Rupee One only) each fully paid-up ("Equity Shares") for cash, at an issue price of ₹ 164/- (Rupees One Hundred and Sixty-Four only) which includes a premium of ₹ 163/- (Rupees One Hundred and Sixty-Three only) aggregating to ₹ 760 million.

- **Preferential cum Private Placement of Equity shares dated 01st February, 2025**

  The Company issued and allotted 28,99,417 (Twenty-Eight Lakh Ninety-Nine Thousand and Four Hundred Seventeen) equity shares of face value of ₹ 1/- (Rupee One only) each fully paid-up ("Equity Shares") for cash, at an issue price of ₹ 225/- (Rupees-Two Hundred and Twenty-Five only) which includes a premium of ₹ 224/- (Rupees Two Hundred and Twenty-Four only) aggregating to ₹ 652.37 million.

3. Other / Debt Securities:

The Company had allotted 750 unlisted, secured, 10%, Non-Convertible Debentures ("NCDs") of ₹ 10 Lakhs each amounting to ₹ 75 Crore for the tenure of Seven (7) years during FY 2022-23.

The Company had timely paid the interest on the NCDs during the year under review and there was no principal amount or interest payment on NCDs due as on 31st March, 2025. However, the Company on 28th October, 2024, has fully redeemed the NCDs and paid interest accrued as on the date of redemption.

4. Dividend:

During the year under review, the Board of Directors has not recommended any dividend on equity shares. The amount of profits has been retained for future requirement of the Company for investment in Project.

5. General Reserve:

No amount has been transferred to the General Reserve for the financial during the year.

6. Committees:

In view of the Initial Public Offering (IPO) and pursuant to SEBI (ICDR) Regulation 2018, the Company has in place the following mandatory Committees in terms of the provisions of the Companies Act, 2013 & SEBI (LODR) Regulations 2015 read with rules framed thereunder viz.

a. Audit Committee:
b. Nomination and Remuneration Committee;
c. Stakeholders' Relationship Committee;
d. Corporate Social Responsibility Committee; and
e. Risk Management Committee.

The Composition of all such Committees, number of meeting/(s) held during the year under review, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Committees were accepted by the Board. The provisions applicable to Stakeholders' Relationship Committee and Risk Management Committee will applicable once the Company gets listed.

7. Policies / Codes of the Company:

The list of Policies/Codes hosted on the website of the Company at "www.esds.co.in" is given in Corporate Governance Report forming part of this report.

8. Subsidiaries:

The Company has Three (3) subsidiaries (1 Indian and 2 Foreign) as on 31st March, 2025.

During the year, the entire stake in ESDS Internet Services Private Limited has been completely sold out at a nominal value of the equity shares, considering the revised corporate business strategy adopted by your Company in view of the proposed IPO of the company.

In accordance with Section 129(3) of the Act and as per Indian Accounting Standards (Ind AS) 110, the Company has prepared the Consolidated Financial Statements of the Company and all its subsidiaries and Associates, which form part of the Report.

A report on the financial position of each of the subsidiaries and associate as per the Companies Act, 2013 ('Act') as provided in Form **AOC-1** is attached to the Board Report as **Annexure I.**

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at www.esds.co.in.

9. Policy on Directors' Appointment and Remuneration and other Details:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is available on www.esds.co.in/corporate-policies.

The Remuneration Policy has been also hosted on the website of the Company www.esds.co.in.

10. Directors and Key Managerial Personnel:

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act 2013 ("the Act"), with an appropriate combination of Executive and Independent Directors.

As on 31st March, 2025, the Board of Directors of your Company comprised of Three (3) Executive Director and Three (3) Independent Directors. The Board Consist of Two (2) women directors, one Executive Director and one Independent Director. The details of Board and Committees composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

There have been the following changes in the Board of Directors during the financial year.

a) Mr. Alipt Sharma had resigned as Nominee Director of GEF Capital Partners on 4th February 2025. The resignation was on account of exit provided to GEF in accordance with the shareholders agreements.

b) Mr. Jitendra Pathak (DIN: 09000712) was appointed as Additional Director, Executive Director (Chief Operating Officer) on 4th February 2025. His appointment was confirmed by the shareholders of the Company on 08th August 2025 vide passing the Postal Ballot resolution.

In accordance with the Articles of Association of the Company and the provisions of the Section 152 of the Companies Act, Mr. Piyush Somani (DIN: 00112324) will retire by rotation at the ensuing 20th Annual General Meeting ("AGM") and being eligible, has offered himself for re-appointment. The necessary resolutions for re-appointment of Mr. Piyush Somani has been included in the Notice of the forthcoming AGM for the approval of the members.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence; and all the Independent Directors have registered themselves pursuant to the Ministry of Corporate Affairs notification dated 01st December 2019 viz. the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019. There has been no change in the circumstances affecting their status as independent directors of the Company. Pursuant to Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014, in the opinion of the Board, the Independent Directors are competent, experienced, proficient and possess necessary expertise and integrity to discharge their duties and functions as Independent Directors.

None of the Company's directors are disqualified from being appointed as a director as specified in Section 164 of the Act. For details about the directors, please refer to the Corporate Governance Report.

During the year under review, the non-executive independent directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, reimbursement of expenses incurred by them for the purpose of attending meetings of the Board and its Committees and any other transactions as approved by the Audit Committee or the Board which are disclosed under the Notes to Accounts.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2025 are Mr. Piyush Somani–Managing Director; Ms. Komal Somani, Whole-time Director, Mr. Jitendra Pathak, Whole-time Director, Mr. Nadukuru Sita Ramaiah, Chief Financial Officer and Mr. Prasad Deokar, Company Secretary.

Post 31st March 2025 till the date of this report, there were no changes in the management.

11. Number of Meetings of The Board

The Board met Thirteen (13) times during the year under review. The details of board meetings and the attendance of the Directors is provided in the Corporate Governance Report, which forms part of this Annual Report.

12. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) read with read with Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and belief hereby state and confirm that:

a) In the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
b) The Directors have approved the accounting policies and the same have been applied consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) The annual accounts have been prepared on a 'going concern' basis;
e) Proper internal financial controls are followed by the Company and that such financial controls are adequate and are operating effectively; and Proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

13. Familiarisation Programme for Independent Directors:

The details are mentioned in the Corporate Governance Report which is a part of the report. The details of the Familiarisation Programme for Independent Directors of the Company are hosted on the website of the Company at www.esds.co.in.

The Board of Directors in its meeting held on 07th August 2021 had approved the policy for Familiarisation programmes for independent directors.

14. Auditors and Auditors' Reports:

a) Statutory Auditors

M/s. Shah Khandelwal Jain & Associates, Chartered Accountants (ICAI Firm Registration No.: 142740W), were re-appointed as the Statutory Auditors at the fifteenth (15th) Annual General Meeting of the Company held on 31st December, 2020, for a period of five (5) years i.e., from financial year 2020-21 to financial year 2024-25, to hold office till the conclusion of Twentieth (20th) Annual General Meeting of the Company.

Accordingly, M/s. Shah Khandelwal Jain & Associates would be completing their second (2nd) term as the Statutory Auditors of the Company at this Annual General Meeting.

Your board recommends M/s. MSKC & Associate LLP, Chartered Accountants, (Firm Registration No. 001595S / S000168) Pune, a member firm of BDO ("MSKC"), as the Statutory Auditors in place of outgoing Auditors, to hold office for first (1st) term of Five (5) consecutive years, i.e. from Twentieth (20th) Annual General Meeting ('AGM') of the Company to be held for FY 2024-25 till the conclusion of the Twenty-fifth (25th) Annual General Meeting to be held for FY 2029-30.

M/s. MSKC & Associate LLP have given the written consent cum declaration expressing their willingness and eligibility for the proposed appointment.

There have been no instances of fraud reported by the Statutory Auditors under Section 143 (12) of the Companies Act, 2013 and the Rules framed thereunder either to the Company or to the Central Government.

The Auditors' Report on Standalone Financial Statements ("SFS") and Consolidated Financial Statements ("CFS") for the financial year 2024-25 do not contain any qualification, reservation or adverse remark.

b) Cost Auditors

The maintenance of cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013, does not apply to the Company.

c) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Milind Gujar & Associates, Practising Company Secretaries, Nashik, to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as **Annexure – III** to the Board's Report.

There are no observations / remarks or qualifications in the Secretarial Audit Report for FY 2024-25.

d) Internal auditors:

M/s. Kirtane & Pandit LLP, Chartered Accountants has been re-appointed as Internal Auditors of the Company for FY 2025-26. The reports of Internal Auditors were reviewed by the Audit Committee from time to time at the meetings of Audit Committee. The observations and suggestions of the Internal Auditors were reviewed and necessary corrective/preventive actions were taken in consultation with the Audit Committee.

15. Deposits from public:

During the financial year 2024-25, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

16. Particulars of Loans, Investments, Guarantees:

The Company has complied with the provisions of Section 185 & 186 of the Act with respect to granting loans, making investments and providing guarantees & securities to its subsidiaries. Details of the same are referred in the standalone financial statements as on March 31, 2025.

17. Related Party Transactions:

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its approval and reviewed on regularly basis.

The policy on Related Party Transactions is available in Company's website, www.esds.co.in.

During the financial year 2024-25, your Company entered into transactions with related parties as defined under Section 2(76) of the Act read with the Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Act, Rules issued thereunder and Regulation 23 of the LODR 2015. Further, other suitable disclosures as required under IND AS - 24 have been made in the Notes to the financial statements.

During the financial year 2024-25, there were no materially significant Related Party Transactions entered by the Company with Promoters, Directors, Key Managerial Personnel, which may have a potential conflict with the interest of the Company.
There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act and Regulation 23 of the Listing Regulations, along with the justification for entering into such a contract or arrangement in Form AOC-2, does not form part of the Directors' Report.

18. Annual Return:

Pursuant to the requirement under Section 92(3) of the Companies Act, 2013, copy of the annual return can be accessed on our website at https://www.esds.co.in/investor-relations/annual-report

19. Internal Financial Control and Its Adequacy:

The Company has a proper and adequate internal control system. This ensures that all transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. The Company has an effective internal control and risk mitigation system, which is reviewed and constantly updated. The internal controls including the internal financial control of the Company are managed and reviewed by the Audit Committee and apart from the staff employed by the Company, the Company has also appointed independent Internal Auditors to review and monitor the internal financial controls and their adequacy.

The Internal Financial Controls of the Company are adequate and commensurate with the size and nature of business of the Company. An extensive programme of internal audits and management reviews supplement the process of the Internal Financial Control framework. Properly documented policies, guidelines and procedures have been laid down for this purpose. The Internal Financial Control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and maintaining asset accountability. In addition, the Company has identified and documented the risks and controls for each process that links to financial operations and reporting.

The Board is of the opinion that the Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and /or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

20. Whistle Blower Policy:

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, the Company has adopted a whistle blower / vigil mechanism policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulations 22 of the SEBI (LODR) Regulation 2015 and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical or improper activity. No person has been denied access to the Chairman of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistle blower complaints.

No complaints/ instance of fraud, unethical behavior or improper activities was reported through the whistle blower mechanism.

The policy is available on the website of the Company and can be viewed on: https://www.esds.co.in/policies_document/Policies-2025/Whistle%20Blower%20Policy.pdf

21. Risk Management Policy:

Your Company recognizes that risk is an integral part of business and is committed to manage the risk in a proactive and efficient manner. The Company has in place a proper internal Risk Management system to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis by following the principles of Risk Matrix. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company on regular basis.

There are no risks which in the opinion of the Board of Directors affect the Company's Operations on a going concern basis.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year 2024-25:

No. of complaints at the beginning of the year 2024-25	: NIL
No. of complaints received during the year 2024-25	: NIL
No. of complaints disposed off during the year 2024-25	: NIL
No. of complaints at the end of the year 2024-25	: NIL

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with the Rules thereunder, it is hereby declared that the Company has not received any complaint of sexual harassment during the year under review.

23. Corporate Governance:

The report on Corporate Governance forms an integral part of the report. The Company follows the best practices for the Corporate Governance. The Company though not listed, still follows the process and practices prescribed under the SEBI (LODR) 2015.

24. Amendment in MoA and AoA

During the year under review, the Board of Directors of the Company, after due consideration, approved the proposal for amendment in the Memorandum of Association (MoA) of the Company for altering the Clause V of the MoA to reflect the reclassification of the authorised share capital of the Company from ₹ 460,000,000 divided into 115,000,000 equity shares of face value ₹1, 3,150,000 preference shares of ₹100 each carrying a dividend rate of 0.01% and 200,000 preference shares of ₹100 each carrying a dividend rate of 16% and 1,000,000 preference shares of ₹10 each carrying a dividend rate of 0.01% to ₹ 460,000,000 divided into 460,000,000 equity shares of ₹ 1 each, and Articles of Association (AoA) for adoption of new set of articles eliminating the rights and responsibilities of existing Investors following their exit.

The Members of the Company have accorded their approval for the said amendments by way of a Special Resolution passed at the Extra-Ordinary General Meeting held on 25th January, 2025.

Accordingly, the MoA and AoA of the Company have been amended and the necessary filings have been made with the Registrar of Companies (RoC) within the prescribed timelines.

25. Corporate Social Responsibility:

As per the requirements of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility ("CSR") your Company has duly constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee are provided in Corporate Governance Report. The Company has framed Corporate Social Responsibility policy, amended from time to time, which is available at www.esds.co.in.

The Company was required to spend ₹ 1.12 Millions on CSR activities for FY 2024-25. The Company had spent over and above the required amount during FY 2024-25.

The CSR activities for the financial year ended March 31, 2025 along with the composition of CSR Committee is set out in **Annexure II** to the Board's Report.

ESDS's Corporate Social Responsibility (CSR):

Being able to manage all this on a cross-platform level is a great contribution by ESDS. With our humanitarian initiatives focus on creating shared value for our employees, the society & for ESDS as a whole. Getting ESDSians involved in the communities where they work or live definitely has a powerful and positive impact on employee lives, the society & the business.

Our leaders show personal commitments in such activities and take efforts to build the commitment across organizational level.

Our employees have a better view of ESDS because we encourage giving back. This has helped us to drive both employee engagement and employee morale which improves performance and retention. All our CSR activities have huge involvement of our staff. Our CSR efforts range from donating money to nonprofits organizations to implementing environmentally-friendly policies in the workplace.

26. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as stipulated under section 134 of the Act read with the Companies (Accounts) Rules, 2014 is as follows:

Conservation of Energy:

Sr. No.	Particulars	Remarks
(i)	Steps that impact energy conservation	The Company has always actively promoted eco-friendly and green initiatives. It continues to work on reducing its carbon footprint, conserving energy, and using energy generated from alternative sources wherever possible. The austerity of our commitment towards eco-conservation can be observed in our infrastructure itself. From carefully selected building materials to unique power-saving systems, we have ensured that we keep our operations and premises as a contributing factor in maintaining the environmental equilibrium.

(ii)	Steps taken by the Company for utilizing alternate source of energy	The Data Center structure has been built using Cellular Lightweight Concrete (CLC) Blocks commonly known as Fly-Ash Bricks. The building has a well-planned rainwater harvesting architecture contributing towards ground water table recharging. We have a dual air-conditioning system deployed on the workstation floor. The conventional central air-conditioner only operates 3-4 months a year. For the rest of the year, a unique concept of fresh air in-take system has been integrated which has 1/6th power consumption compared to the conventional central air-conditioning. Our Data Center floor is cushioned between other 2 floors, which has helped us to reduce sensible heat load from top as well as bottom. This floor also has cavity wall from all 4 sides with distance of 4 ft between both the walls. Both walls are made up of Fly Ash Bricks. A well-designed structure of Sun Louvers across the entire building guarantees minimized direct sun light penetrating into the building, thus reducing the energy required for air-conditioning.
(iii)	The capital investment on energy conservation equipment	The Company has made capital investments towards the installation of energy-efficient equipment such as solar panels. These investments aim to reduce energy consumption, lower operating costs, and contribute to sustainable operations. The investment is expected to result in 20% reduction in energy costs with a payback period of 5 years, besides contributing towards the Company's ESG and sustainability commitments.

Technology Absorption, Adoption and Innovation, Efforts made, Benefits derived, Import of Technology:

We are an innovation driven Company. In our industry, we are one of the few data center and cloud services provider that has its own R&D team. Through our R&D initiatives, we had developed our vertically auto scalable cloud, which is patented in the USA and the UK. Our Company was the first Company to offer a true Make in India cloud in the nation in year 2011 when the nation only knew virtualization.

Over the years, our R&D team has developed several products that complement our data center and cloud business, which include:

(a) “eNlight cloud” – a patented vertical auto scalable cloud, which forms the base of our community cloud;
(b) “eMagic” – a comprehensive data center management and monitoring suite;
(c) “VTMscan” –a vulnerability scanner, which is a computer program designed to assess computers, networks or applications for known weaknesses;
(d) “eNlight WAF” – a web access firewall;
(e) Web VPN – for secure connectivity;
(f) “eCOS” – for object storage;
(g) “eNlight IoT” – an indigenously developed IoT platform running on the eNlight Cloud;

(h) “eNlight Meet” – a communications solution for virtual meetings;
(i) “eNlight SIEM” – for incident and event management;
(j) “AA+” – an artificial intelligence/ machine learning based lung disease detection through X-Ray scan;
(k) “eNlight DRM” – a disaster recovery monitoring solution;
(l) “eNlight360” –a hybrid cloud orchestration solution.
(m) "eNlight - Patch Management" - A OS Patch monitoring and management solution for security of our customers data,
(n) "eNlight - IAM" - An Identity and Access Management Solution that enable our cloud to be multitenant, it also enables our customers to define their tenant users and authentication profiles,
(o) IPeG - Integrated Proactive eGovernance platform for simplifying G2C (Government to Citizen) services. With its Service Design, Delivery and Analytics capabilities, it provides single window proactive seamless citizen centric service delivery for states,
(p) IPAS - Integrated Planning and Automation Software is a solution for State government to do district planning and automation. It provides financial control and automated plus manual approval systems for better governance.

We are committed to innovation and are focused on creating more niche and cost-effective technology products and solutions, which is our contribution towards “Atmanirbhar Bharat”,

Foreign exchange earnings and outgo:

The particulars relating to foreign exchange earnings earned in terms of actual inflow during the year and the Foreign Exchange Outgo during the year under review are mentioned in Financial Statements.

27. Particulars of Employees:

During the year under review there are no such employees of the Company, who were drawing salary in excess of the limits specified u/s 197 of the Act read with rules made thereunder and Schedule V of the Act.

The details as per Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company, being Unlisted Company.

Employee Stock Option Plans

ESDS ESOP 2021:

Our Company has formulated an employee stock option plan viz. the ESDS Employees Stock Ownership Plan - 2021 (“**ESOP 2021**”) pursuant to the resolutions passed by our Board on August 7, 2021, and August 26, 2021, by our Shareholders in their extra-ordinary general meetings held on August 9, 2021 and August 27, 2021. The ESOP 2021 was subsequently amended pursuant to the resolution passed by our Shareholders on January 25, 2025 upon recommendation by our Nomination and Remuneration Committee.

The ESOP 2021 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBSE Regulations). Pursuant to the ESOP 2021, a maximum of 2,500,000 options may be granted to eligible employees (as defined under the ESOP 2021), which may result in not more than 2,500,000 Equity Shares of ₹ 1 each.

The ESOP 2021 shall be administered by the ESDS Employee Benefit Trust and shall be supervised by the Nomination and Remuneration Committee. As on 31st March, 2025, the ESDS Employee Benefit Trust holds 2,236,234 Equity Shares of ₹ 1 each in connection with the ESOP 2021.

The objective of the ESOP 2021 is to (a) enable our Company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in our Company which will reflect their efforts in building the growth and the profitability of our Company; (b) provide employees an opportunity for investment in our Company's equity in recognition of their efforts to grow and build our Company; and (c) reward our employees on the basis of certain performance criteria.

Details of grants, exercise and lapsed options (on a cumulative basis) pursuant to the ESOP 2021 as on the date of this Draft Red Herring Prospectus are as follows:

The details of ESOS 2021 as on 31st March 2025 are as follows:

Sr. No.	Particulars	Total
A	Total number of options which may be granted under the ESOP 2021	25,00,000
B	Options granted	20,45,000
C	Options vested (in force)	8,88,240
D	Options exercised during the year	1,45,860
E	The total number of shares arising as a result of exercise of option during the year	1,45,860
F	Options forfeited/ lapsed/ cancelled	902,000
G	The exercise price (as on the date of grant of options)	₹ 65/- per option
H	Variation of terms of options	Nil
I	Money realized by exercise of options during the year	9480900
J	Total number of options in force as on March 31, 2025	13,57,000

ESOP 2024:

Our Company has formulated an employee stock option scheme namely the ESDS Employee Stock Option Plan 2024 **(ESOP 2024)** pursuant to the resolutions passed by our Board on December 6, 2024, and by our Shareholders in their extra-ordinary general meeting held on January 25, 2025. The ESOP 2024 is in compliance with the SEBI (SBEBSE) Regulations. Pursuant to the ESOP 2024, a maximum of 3,000,000 options may be granted to eligible employees (as defined under the ESOP 2024), which may result in not more than 3,000,000 Equity Shares of ₹ 1 each.

The ESOP 2024 shall be administered by the Nomination and Remuneration Committee.

The ESOPs were granted out of the total pool to certain employees of the Company, including certain Key Managerial Personnel, under ESDS ESOS 2024 at an option price of ₹ 225/- per option to eligible employees.

The details of ESOS 2021 as on 31st March 2025 are as follows:

Sr. No.	Particulars	Total
A	Total number of options which may be granted under the ESOP 2021	30,00,000
B	Options granted	20,60,000
C	Options vested (in force)	Nil
D	Options exercised during the year	Nil
E	The total number of shares arising as a result of exercise of option during the year	Nil
F	Options forfeited/ lapsed/ cancelled	10,000
G	The exercise price (as on the date of grant of options)	₹225/- per option
H	Variation of terms of options	Nil
I	Money realized by exercise of options during the year	Nil
J	Total number of options in force as on March 31, 2025	20,50,000

28. Insurance:

The Company's plant, property, equipment and stocks are adequately insured against major risks. The Company has appropriate liability insurance. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

29. Declaration of Compliance with the Code of Conduct / Ethics:

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted a Code of Conduct for prohibition and prevention of Insider Trading for its designated employees. The code lays down Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company post listing of the shares on BSE and NSE.

30. Statement on Material Changes & Commitments:

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2024-25 and the date of this Report.

31. Statement on Material and Significant Orders Passed By Regulators & Courts:

No significant and material orders have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

32. Compliance With Secretarial Standards

Your Company is in compliance with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India.

33. ACKNOWLEDGMENTS:

The Company thanks its customers, bankers and service providers for their continued support during the year. The Company places on record its appreciation for the contribution made by its employees at all levels. Its success was made possible by their hard work, loyalty, cooperation and support.

The Company thanks the Government of India, particularly the Ministry of Communication and Information Technology, the Ministry of Commerce, the Ministry of Finance, the Ministry of Corporate Affairs, the Customs and Excise departments, the Income Tax Department, the Reserve Bank of India, the State Governments, Madras Export Processing Zone (MEPZ) and other government agencies for their support, and looks forward to their continued support in the future. The Company also thanks the Governments of the countries where it has operations.

The Directors wish to record their appreciation of business constituents like SEBI, NSE, BSE, NSDL, CDSL, etc., for their continued support for the Company's growth. The Directors also thank investors for their continued faith in the Company.

For and on behalf of Board of Directors
ESDS Software Solution Limited

Sd/-

(Piyush S. Somani)
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: September 08, 2025

Report on Corporate Governance

A. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

ESDS Software Solution Limited ("the Company / ESDS") is committed to maintaining high standards of Corporate Governance, protecting Customers', Shareholders', and other Stakeholders' interests for long term as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. In line with this philosophy, the Company endeavours to maintain transparency at all levels through adoption of best Corporate Governance Practices. Your Company is committed to follow the best Corporate Governance practices not only to ensure success in business, but also for maximizing value for all the stakeholders, be it Members, investors, clients or employees. The trust of the stakeholders is built by maintaining the highest ethical standards, transparency and accountability. The Directors and Management of your Company continue to be committed to adhering to the best governance standards and to comply with the regulatory requirements in the true spirit and beyond the letter of law.

Collective consciousness of the Company to excel in all management practices to enable resource maximization in an all-encompassing manner for society in entirety is the hallmark of governance at ESDS. Our corporate governance is a reflection of our value system and cultural pillars. Through effective corporate governance, our Board seeks to embed and sustain a culture that will enable ESDS to fulfil its purpose and achieve its long-term strategic objectives, by building durable partnerships and upholding its core values. As a good corporate citizen, the Company is dedicated towards following the global best practices built through conscience, fairness, transparency and accountability in building confidence of its various stakeholders in it, thereby paving the way for its enduring success.

Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof.

As on the date of this Annual Report, we have six Directors on our Board, of whom two are Executive Directors, one is a non-executive Nominee Director and three are Independent Directors including one independent women Director.

The following is a report on the status and progress on the major aspects of Corporate Governance.

B. BOARD OF DIRECTORS

(i) Board Membership Criteria

The members of the Board of Directors of your Company possess the required expertise, skills and experience to effectively manage and direct your Company to attain its organizational goals. They are the persons with vision, leadership qualities, proven competence and integrity and with a strategic bent of mind.

Each member of the Board of Directors of your Company ensures that his/her personal interest does not run in conflict with your Company's interests. Moreover, each member uses his/her professional judgment to maintain both the substance and appearance of independence and objectivity.

(ii) Composition of the Board

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act 2013 ("the Act"), with an appropriate combination of Executive, Non-Executive and Independent Directors. The number of Independent Directors comprises equal to 50% of the total strength of the Board including a Woman Director. The Board of Directors is chaired by Executive Promoter Chairman-cum-Managing Director

None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgement, would affect their independence. It is hereby confirmed that in the opinion of the Board of Directors, the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and are independent of the management. Further, the Independent Directors have also registered their names in the Data bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended.

The Board of Directors comprises of professionals drawn from diverse fields who bring with them a wide range of skills and experience to the Board, which enhances the quality of Board decision making process. All the Directors of the Company are experienced professionals having knowledge covering wide range of subjects including those of Information technology, Banking solutions, Consumer Banking, Financial Services, Banking outsourcing operations, Governance and the related regulatory issues of the business.

The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with rules issued there under.

None of the Directors is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/she is a director. Relevant details of the Board as on 31st March, 2025 are given below.

Name of Director	Category of Director	Relationship with other Directors	# No. of Directorships in other companies	*No. of other Board Committee(s) of which he / she is a Member	*No. of other Board Committee(s) of which he / she is a Chairperson
Piyush Somani (DIN: 02357582)	Promoter, Executive and Non-independent	Spouse of Komal Somani - Executive Director	1	0	0
Komal Somani (DIN: 08477154)	Executive and Non-independent	Spouse of Piyush Somani- Executive Director	1	0	0
Alipt Sharma ^ (DIN: 03128439)	Non-Executive and Non-independent	None	0	0	0
Pamela Kumar (DIN: 07616165)	Non-Executive and Independent	None	0	0	0
T.G. Dhandapani (DIN: 09239677)	Non-Executive and Independent	None	0	0	0
Venkatesh Natarajan (DIN: 07471917)	Non-Executive and Independent	None	0	0	0
Jitendra Pathak (DIN: 09000712)	Executive and Non-independent	None	0	0	0

*This includes chairmanship/membership of Audit Committee and Stakeholders Relationship Committee in other Companies.

Number of Directorships held excludes Foreign Companies and Section 8 Companies, if any.

^ Mr Alipt Sharma ceased to be a director of the company w.e.f. 4th February 2025 and Mr Jitendra Pathak was appointed as and Additional director w.e.f. 4th February 2025

The internal guidelines for Board / Committee meetings facilitate the decision-making process at the meetings of the Board/Committees in an informed and efficient manner.

The Board Meetings are governed by the structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management, prepares the detailed agenda for the meetings. Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information is circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

In order to transact some urgent business, which may come up after circulation of agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional

Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering finance and operations of the Company, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices. The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly.

The skills, expertise and competencies of the Directors as identified by the Board, are provided hereunder. The Company has identified the Directors who possess these skills, expertise and competencies in the present mix of the Directors of the Company.

Sr. No.	Skill / expertise / competence	Name of the Director possessing such skill/expertise
1	**Organisational Purpose** Ability to recognize / identify the socio-economic, political, regulatory and competitive environment, both domestic and global, in which the Company is operating and insight to identify opportunities and threats for the Company's businesses. Ability to contribute towards creating an inspiring Vision for the Company.	Piyush Somani
2	**Strategic Insight** Ability to evaluate competitive corporate and business strategies and based thereon, contribute towards progressive refinement of the Company's strategies for fulfilment of its goals. Ability to comprehend strategy of organisation of the Company, in the context of its sources of competitive advantage and assess its strengths and weaknesses.	Piyush Somani; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
3	**Organisational Capacity Building** Expertise to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building. Ability to understand the talent market and the Company's talent quotient so as to help finetune strategies to attract, retain and nurture competitively superior talent. Ability to appreciate and critique the need for in-depth specialization across business-critical areas such as manufacturing, marketing, legal, information technology, public advocacy etc., as well as the breadth of general management capabilities.	Komal Somani; T.G. Dhandapani; Jitendra Pathak; Pamela Kumar Venkatesh Natarajan
4	**Stakeholder Value Creation** Ability to understand processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.	Alipt Sharma; T.G. Dhandapani; Pamela Kumar;

5	**Commercial Acumen** Commercial acumen to critique the Company's financial performance and evaluate the Company's strategies and action plans in the context of their financial outcomes.	Piyush Somani; Jitendra Pathak; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
6	**Risk Management and Compliance** Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.	Piyush Somani; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
7	**Policy Evaluation** Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically. Ability to evaluate policies, systems and processes in the context of the Company's businesses, and review the same periodically.	Piyush Somani; Komal Somani; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
8	**Culture Building** Ability to contribute to the Board's role towards promoting an ethical organizational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organizational conduct.	Piyush Somani; Komal Somani; Jitendra Pathak; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
9	**Board Structure** Ability to comprehend the statutory roles and responsibilities of a Director and of the Board as a whole. Ability to encourage and sustain a cohesive working environment and to listen to multiple views and thought processes and synergies a range of ideas for organizational benefit.	Piyush Somani; Komal Somani; Jitendra Pathak; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan

(iii) Board Meetings / General Meeting

During the financial year 2024-25, the Board of Directors of your Company met Thirteen (13) times, on the dates mentioned in below table. None of the meetings of Board of Directors was held with a gap of more than 120 days.

Sr. No.	Date of Board Meetings
1	22.05.2024
2	26.06.2024
	02.07.2024 – Adjourned
3	06.09.2024
4	16.09.2024
5	16.10.2024
6	03.12.2024
7	06.12.2024
8	20.12.2024
9	24.12.2024
10	04.02.2025
11	13.03.2025
12	21.03.2025
13	30.03.2025

During the financial year 2024-25, two Extra-ordinary General Meetings ("EOGM") were held on 5th October, 2024 and 25th January, 2025.

During the year under review, the Annual General Meeting of the Financial Year ended on March 31, 2024 was held on 30th September, 2024.

Details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2024-25 are presented in the following table:

Name of the Director	No. of Meetings held	No. of Board Meetings Attended	Whether AGM 2024 Attended (Yes/No/N.A.)
Piyush Somani	13	13	Y
Komal Somani	13	12	Y
Alipt Sharma (1)	10	9	N
T.G. Dhandapani	13	13	N
Venkatesh Natarajan	13	13	N
Pamela Kumar	13	9	N
Jitendra Pathak (2)	3	3	N

(1) Mr. Alipt Sharma resigned as Nominee Director effective from 04th February, 2024;
(2) Mr. Jitendra Pathak was appointed as additional director (Executive) effective from 4th February 2025

(iv) Membership Term

As per Articles of Association, at every Annual General Meeting, one-third of the Directors excluding Independent Directors, for the time being are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from the office, eligible for re-appointment.

The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment. However, as between persons who became Director on the same day and those who are to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-appointment.

The Independent Directors' appointment/re-appointment will be for a maximum period of term of Five (5) consecutive years as per the provisions of the Act. Mr. T. G. Dhandapani and Ms. Pamela Kumar has been appointed for the first term of consecutive five (5) years with effect from 28th July 2021 and Mr. Venkatesh Natarajan has been appointed for the first term of consecutive five (5) years from 01st July 2023.

None of the Independent Directors of the Company has attained age of 75 years. All the Independent Directors have registered themselves in accordance with the provisions of the Companies Act, 2013 by notification of Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019.

(v) Code of Conduct

Your Company's Board of Directors has prescribed a Code of Conduct for all Board Members and the Company's Senior Management. The Code of Conduct is available on your Company's website www.esds.co.in

All the Board Members and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended 31st March, 2025. A declaration to this effect as signed by the Managing Director forms part of the report.

C. BOARD COMMITTEES

In view of the Company's Initial Public Offer ("IPO") and complying with the regulations of SEBI LODR 2021, the Company has constituted below mentioned committees Further in compliance with the mandatory requirements under Regulation 17 of the LODR 2015 and the applicable laws except Corporate Social Committee, which was already constituted;

i) Audit Committee;
ii) Nomination and Remuneration Committee;
iii) Stakeholders' Relationship Committee;
iv) Corporate Social Responsibility Committee; and
v) Risk Management Committee.

The Chairman of the Board, in consultation with the Company Secretary and the respective Chairman of these Committees, determines the frequency of the meetings of these Committees. The recommendations of the Committees are submitted to the Board for approval. The Board of Directors has also adopted the various policies in line with the SEBI LODR 2015 and the Act for the effective and defined functioning of the respective Committees of the Board. The Stakeholders' Relationship Committee and Risk Management Committee will be effective from the listing of the Company.

(i) Audit Committee

The composition of the Audit Committee is in line with the provisions of section 177 of Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Listing Regulations. The representatives of the Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings. The Committee also invites such of the directors, executives and concerned consultants as it considers appropriate to attend the Audit Committee Meetings. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

The composition of the committee as on 31st March, 2025:

Sr. No.	Name	Designation
1	Mr. T.G. Dhandapani	Chairman (Independent Director)
2	Mr. Pamela Kumar	Member (Independent Director)
3	Mr. Venkatesh Natarajan	Member (Independent Director)

The Company Secretary of the Company acts as the Secretary of the Committee:

The terms of reference of the Audit Committee were approved by Board of Directors on 28th July 2021 and further amended on 21st March, 2025. The terms of reference of the Audit Committee are available on the website of the Company www.esds.co.in. The brief terms of reference of the Audit Committee, inter alia, include;

(i) The Audit Committee shall have powers, which should include the following:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information that it properly requires from any employee of the Company or any associate or subsidiary in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from such employees;
- (c) To obtain outside legal or other professional advice;
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required;
- (e) To approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company and to confirm that verified details for all the key performance indicators pertaining to the company have been disclosed to the earlier investors at any point of time during the three years period prior to the date of filing of the draft red herring prospectus/ red herring prospectus are disclosed under 'Basis for Offer Price' section of the Offer Document; and
- (f) Such powers as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable law.

(ii) The role of the Audit Committee shall include the following:

- (a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- (b) Recommendation for appointment, re-appointment, removal and replacement, remuneration and terms of appointment of auditors of the Company and the fixation of audit fee and approval for payment for any other services;
- (c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act;
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;
(vi) Disclosure of any related party transactions; and
(vii) Qualifications and modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
(f) Monitoring the end use of funds raised through public offers and reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;
(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions and the definition of material modifications of related party transactions;
(i) Approval of any subsequent modifications of transactions of the Company with related parties and omnibus approval (in the manner specified under the SEBI Listing Regulations and Companies Act) for related party transactions proposed to be entered into by the Company. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.

(j) Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ₹10,000 million or 10% of the annual consolidated turnover as per the last audited financial statements of the Company, whichever is lower, subject to such other conditions prescribed under the SEBI Listing Regulations;
(k) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
(l) Scrutiny of inter-corporate loans and investments;
(m) Valuation of undertakings or assets of the company, wherever it is necessary;
(n) Evaluation of internal financial controls and risk management systems;
(o) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(p) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(q) Discussion with internal auditors of any significant findings and follow up there on;
(r) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
(s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit, observation of auditors, review of financial statements of the Company as well as post-audit discussion to ascertain any area of concern;
(t) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(u) Reviewing the functioning of the whistle blower mechanism;
(v) Approval of the appointment of the Chief Financial Officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
(w) Ensuring that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company;
(x) To formulate, review and make recommendations to the Board to amend the Audit Committee's terms of reference from time to time;
(y) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances;
(z) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;
(aa) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
(bb) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and to carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other committees of the Directors of the Company;
(cc) Carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and

(dd) reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies, any material default in financial obligations by the Company and any significant or important matters affecting the business of the Company;

(e) Review of financial statements, specifically, for investments made by any unlisted subsidiary;

(f) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(g) Statement of deviations:

(h) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(i) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

(iv) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company; and

(v) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board."

The detailed terms of reference of Audit Committee are available on your Company's website www.esds.co.in.

During the financial year 2024-25, the members of the Audit Committee duly eight (8) time on the following dates.

Sr. No.	Date of Meetings
1	26.06.2024
2	06.09.2024
3	03.12.2024
4	23.12.2024
5	24.12.2024
6	13.03.2025
7	21.03.2025
8	30.03.2025

The following table presents the details of attendance at the Audit Committee meetings held during the financial year 2024-25.

Name of the Member	No. of meetings held	No. of Meetings Attended
Mr. T.G. Dhandapani	8	8
Ms. Pamela Kumar	8	6
Mr. Venkatesh Natarajan	8	8

(ii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors of your Company consists of the following Members as on 31st March, 2025:

Sr. No.	Name	Designation
1	Mr. Dhandapani T.G.	Chairman – Independent Director
2	Mr. Venkatesh Natarajan	Member – Independent Director
3	Ms. Pamela Kumar	Member – Independent Director

NRC committee was reconstituted on 4th February, 2025 and Mr. Venkatesh Natarajan was appointed as a member in place of Mr. Alipt Sharma.

The Company Secretary acts as the Secretary of the Committee.

During the financial year 2024-25, Three (3) meetings of the Committee were held on below dates.

Sr. No.	Date of Meetings
1	05.09.2024
2	06.12.2024
3	04.02.2025

The details of attendance at the Nomination and Remuneration Committee meetings held during the financial year 2024-25.

Name of the Member	No. of meetings held	No. of Meetings Attended
Dhandapani T.G.	3	3
Pamela Kumar	3	2
Venkatesh Natarajan (1)	0	0
Alipt Sharma (2)	3	3

(1) Mr. Venkatesh Natarajan was appointed as a member of the Committee effective from 4th February, 2025;

(2) Mr. Alipt Sharma resigned as nominee director effective from 4th February, 2025.

The terms of reference of the Nomination and Remuneration Committee were approved by Board of Directors on 28th July 2021 and further amended on 21st March, 1014 in view of amendments in SEBI LODR 2015. The terms of reference of the Nomination and Remuneration Committee are available on the website of the Company www.esds.co.in

The relevant extract of the terms of reference of Nomination and Remuneration Committee are as follows:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(i) use the services of an external agencies, if required;
(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
(iii) consider the time commitments of the candidates.

(b) Formulation of criteria for evaluation of performance of independent directors, the Board and its committees. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
(e) Analysing, monitoring and reviewing various human resource and compensation matters including the compensation strategy;
(f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
(g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);
(h) Recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;
(i) Recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits
(j) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(k) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(l) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(m) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws:

(i) Determining the eligibility of employees to participate under the ESOP Scheme;
(ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
(iii) Date of grant;
(iv) Determining the exercise price of the option under the ESOP Scheme;
(v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
(vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
(vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
(viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
(x) The grant, vest and exercise of option in case of employees who are on long leave;
(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;
(xii) Formulate the procedure for funding the exercise of options;
(xiii) The procedure for cashless exercise of options;
(xiv) Forfeiture/ cancellation of options granted;
(xv) Formulate the procedure for buy-back of specified securities issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- permissible sources of financing for buy-back;
- any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- limits upon quantum of specified securities that the Company may buy-back in a financial year.

(xvi) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(n) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(o) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and

(c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company and its employees, as applicable.

(p) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee;

(q) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy; and

i. Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties."

The Company has framed a Nomination and Remuneration policy in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations and consistent with the goals of the Company which inter alia includes Company's Policy on Board Diversity, selection, appointment and remuneration of Directors, criteria for determining qualifications, positive attributes, independence of a Director and also framed an Evaluation policy in terms of the requirement of Section 178 of the Act.

Framework for Performance Evaluation of Independent Directors and the Board:

The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board committees, and executive / non-executive / independent directors through peer evaluation, excluding the director being evaluated.

The evaluation process was based on the affirmation received from the independent directors that they met the independence criteria as required under the Companies Act, 2013 and the Listing Regulations.

Independent directors have three key roles – governance, control and guidance. Some performance indicators, based on which the independent directors are evaluated, include:

1. Participation in Board and committee meetings;
2. Active participation in long term decision making;
3. The ability to contribute to and monitor our corporate governance practices;
4. To devote sufficient time and attention for making informed and balanced decisions;
5. The ability to bring an independent judgment to bear on the Board's deliberations on issues like Strategy, performance, risk management and resources and standards of conduct.

The evaluation process focused on Board composition, Corporate Governance aspects, committee effectiveness and information flow to the Board or its committees and familiarization, among other matters. The procedure included systems like questionnaires, one-on-one discussions, etc. The recommendations of NRC were discussed with the Board and individual feedback was provided. The aspects of succession planning and committee composition were also considered. The Board evaluation process was completed during fiscal.

Remuneration Policy:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection, appointment and remuneration of Directors and KMPs. The Nomination and Remuneration Committee has laid down the criteria for determining qualifications, positive attributes and independence of a person proposed to be appointed as a Director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Remuneration Policy has been hosted on the website of the Company www.esds.co.in.

This policy ensures that:

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial persons of the quality required to run the Company successfully;
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
4. Remuneration paid to Non-executive Directors:

Remuneration to Non-Executive Directors for the financial Year 2024-25

The Non-executive Directors except Nominee Directors of the Company are paid remuneration by way of sitting fees. The Company paid sitting fees of ₹ 60,000/- (Rupees Sixty Thousand only) per board meeting and ₹ 45,000/- (Rupees Forty-Five Thousand only) for attending Committee meetings.

The criteria of making payment to Non-Executive Directors form part of Remuneration Policy which is hosted on the website of the Company.

Details of Remuneration paid / payable to Non-Executive Directors during the financial year 2024-25 are as follows.

Name of the Non-Executive – Independent Director	Sitting Fees (Amount in ₹)*
Mr. T. G. Dhandapani	13,65,000
Ms. Pamela Kumar	9,45,000
Mr. Venkatesh Natarajan	12,30,000

* Subject to TDS

As per the disclosures received from the Independent Directors, none of Independent Directors hold equity shares of the Company.

There were no other pecuniary relationships or transactions of the Non-Executive – Independent Directors with the Company.

Remuneration paid to Executive Directors:

The remuneration of Executive Director/s is decided by the Board of Directors as per the Company's remuneration policy laid down by the Nomination and Remuneration Committee and within the overall ceiling approved by shareholders. This is to mention that the Shareholders had approved revised remuneration payable to Executive Directors viz. Mr. Piyush Somani and Ms. Komal Somani at the Annual General Meeting held on 30th September, 2024 and of Mr. Jitendra Pathak through Postal Ballot concluded on 8th August, 2025.

₹ (in Crores)

Name of Executive Director	Salary & Perks	Commission	Total
Mr. Piyush Somani	1.40	00.00	1.40
Ms. Komal Somani	0.75	00.00	0.75
Mr. Jitendra Pathak	0.98	0.00	0.98

None of the Executive Directors is entitled to any ESOPs except Mr. Jitendra Pathak who is professional director and non-promoter.

The tenure of office of the Executive Director can be terminated by the Company or the Executive Director by giving, the other, three months' prior Notice of termination in writing.

None of the Directors is entitled to any benefit upon termination of their association with your Company.

(iii) Stakeholders' Relationship Committee

The Stakeholders Relationship Committee has been formed on 28th July, 2021.

The composition of the Committee as on 31st March 2025 is as follows.

Sr. No.	Name	Designation
1	Mr. Venkatesh Natarajan	Chairman – Independent Director
2	Ms. Pamela Kumar	Member – Independent Director
3	Mr. Piyush Somani	Managing Director – Executive

The Company Secretary acts as the Secretary of the Committee.

During the year under review there was no meeting of the Stakeholders' Relationship Committee since the Company is yet to list its equity shares on respective Stock Exchanges.

The terms of reference of the Stakeholders Relationship Committee were approved on 28th July, 2021 and further amended on 21st March, 2025 in view of Company's IPO. The terms of reference of the Stakeholders' Relationship Committee are available on the website of the Company www.esds.co.in. The brief terms of reference of the Stakeholders Relationship Committee are as follows:

a) Redressal of all security holders' and investors' grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, general meetings, issue of new/duplicate certificates, etc., and assisting with quarterly reporting of such complaints;

b) Reviewing of measures taken for effective exercise of voting rights by shareholders;

c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

d) Giving effect to all allotments, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated/new share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

e) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, dematerialisation etc. of shares, debentures and other securities;

f) To monitor and expedite the status and process of dematerialization and dematerialisation of shares, debentures and other securities of the Company; Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

g) Reviewing the adherence to the service standards adopted by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

h) Considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;

i) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

j) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s) or agent(s);

k) To authorise affixation of common seal of the Company; and

l) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority."

(iv) Risk Management Committee

The Company recognizes that risk is an integral part of business and is committed to manage the risk in a proactive and efficient manner. The Company has constituted Risk Management Committee of Directors to monitor various risks, examine risk management policies & practices and initiate action for mitigation of risk arising in the operations. To facilitate this, the Company had put in place Risk Management Policy. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

The Risk Management Committee has been formed on 28th July, 2021 and re-constituted on 24th December, 2024. The composition of the Committee as on 31st March 2025 is as follows.

Sr. No.	Name	Designation
1	Ms. Pamela Kumar	Chairman – Independent Director
2	Mr. T. G. Dhandapani	Member – Independent Director
3	Mr. Venkatesh Natarajan	Member – Independent Director
4	Mr. Piyush Somani	Managing Director – Executive

Note: RM committee was reconstituted on 24th Dec 2024, Mr. Venkatesh Natarajan was appointed as a Member of the Committee.

The Company Secretary acts as the Secretary of the Committee.

The Company has in place a risk management framework for identification and monitoring and mitigation of business risks, operational risks, financial risks, compliance risks, foreign exchange risks. Major risks like operational, strategic, resources, security, industry, regulatory & compliance risks are identified and are systematically addressed through mitigating actions on a continuing basis. Further Risk Assessment and mitigation procedures are periodically reviewed and discussed and relevant steps are taken for mitigation of such risks.

The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company.

The terms of reference of the Risk Management Committee were approved on 28th July, 2021 and further amended on 21st March, 2025 in view of Company's IPO. The brief terms of reference of the Stakeholders Relationship Committee are as follows:

(i) To formulate a detailed risk management policy which shall include:

- framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;
- Measures for risk mitigation including systems and processes for internal control of identified risks; and
- Business continuity plan.

(ii) To approve major decisions affecting the risk profile or exposure and give appropriate directions;
(iii) To consider the effectiveness of decision-making process in crisis and emergency situations;
(iv) To balance risks and opportunities;
(v) To generally, assist the Board in the execution of its responsibility for the governance of risk;
(vi) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
(vii) To review and recommend potential risk involved in any new business plans and processes;
(viii) To review the Company's risk-reward performance to align with the Company's overall policy objectives;
(ix) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
(x) To review the status of the compliance, regulatory reviews and business practice reviews;
(xi) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;
(xii) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

(xiii) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(xiv) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(xv) To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy;

(xvi) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

(xvii) Coordinating its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

(xviii) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

(xix) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(xx) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and

(xxi) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties."

During the year under review, no meeting of Risk Management Committee was held since the Company was not yet listed on Stock Exchanges.

(v) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board of Directors of your Company consists of the following Members as on 31st March, 2025:

Sr. No.	Name	Designation
1	Mr. Piyush Somani	Chairman – Executive Director
2	Ms. Pamela Kumar	Member – Independent Director
3	Komal Piyush Somani	Executive Director

Note: CSR committee was reconstituted on 4th February, 2025 and Ms. Komal Somani was appointed as a member of the Committee in place of Mr Alipt Sharma.

One meeting of the CSR Committee was held during the year under review, on 06th September, 2024. The attendance of the Members of the CSR Committee is mentioned in Annual Report on Corporate Social Responsibility i.e., **Annexure II**.

Terms of Reference of Corporate Social Responsibility Committee

(a) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder, monitor the implementation of the same from time to time and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:

(i) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;
(ii) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
(iii) the modalities of utilization of funds and implementation schedules for the projects or programmes;
(iv) monitoring and reporting mechanism for the projects or programmes; and
(v) details of need and impact assessment, if any, for the projects undertaken by the Company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

(e) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(f) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(g) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable law."

Meeting of Independent Directors

The separate meeting of Independent Directors (IDs) of the Company as per the requirements of Schedule IV of the Act and Regulation 25 (3) & (4) of the LODR 2015 was held on 29th March, 2025. All the IDs were present at the meeting and they discussed the following:

1. The performance of non-independent directors and the Board of Directors as a whole;
2. The performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
3. Assessed the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties; and
4. Suggestions for improvement of Corporate Governance.

Postal Ballot

During the year under review, no postal ballot was carried out.

E. Other Disclosures

Related Party Transactions

There have been no materially significant related party transactions, pecuniary transactions or relationships between your Company and the Directors, management, subsidiary or relatives, except for those disclosed in the financial statements for the year ended 31st March, 2025 and as reported in the Board's Report in terms of requirement under Section 134 of the Act.

The Company's Related Party Transaction Policy was adopted 7th August, 2021. The Company's Policy on materiality of related party transactions and the Policy on dealing with related party transactions have been hosted on its website.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI, or any other statutory authority on any matter related to capital markets during the last three years

There has been no non-compliance of any legal requirements nor have there been any strictures imposed by any Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets during the last three years since the Company is yet to get listed on the Stock Exchanges.

Whistle Blower Policy / Vigil Mechanism:

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, the Company has adopted a whistle blower / vigil mechanism policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulations 22 of the SEBI (LODR) Regulation 2015 and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical or improper activity. No person has been denied access to the Chairman of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistle blower complaints.

No complaints/ instance of fraud, unethical behavior or improper activities was reported through the whistle blower mechanism. The policy is available on the website of the Company and can be viewed on: https://www.esds.co.in/investors/investors-pdf/Whistle-Blower-Policy.pdf

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons:

The Company has adopted Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code.

Policy for determining material subsidiaries:

The Company has disclosed the policy for determining material subsidiaries as per the requirement of Regulation 46(2)(h) of the LODR 2015, on its website: www.esds.co.in. The Policy was adopted on 7th August 2021 in accordance with the SEBI LODR Regulations.

The Company has complied with Corporate Governance Requirements specified under Regulations 17 to 27 to the extent applicable and the information required to be uploaded on website of the Company pursuant to clauses (b) to (i) of sub-regulation (2) of Regulation 46 of LODR 2015 is available on the website of your Company www.esds.co.in

Policy on Materiality

Materiality Policy adopted by resolution of our Board dated March 21, 2025, for identification of: (a) outstanding material litigation proceedings; (b) group companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations , in view of the proposed IPO of the company

Means of Communication:

1. The Company's website www.esds.co.in consists of Investor Section, which provides comprehensive information to the Shareholders.
2. The Company's Annual Report is sent by email to all the Shareholders of the Company who have registered email ID with Depository or RTA /Company.
3. The hard copy of the Annual Report is sent to those who have not registered email ID with the Company/Depository / RTA and also to those shareholders who want hard copy on request.
4. Pursuant to Regulation 43A of LODR 2015, the Dividend Distribution Policy is hosted on the Website of the Company www.esds.co.in.

GENERAL SHAREHOLDERS INFORMATION	
1. Annual General Meeting	
Date, Time and Venue	Monday, 30th September, 2025 at 11.00 a.m.
2. Financial Year	Financial Year is April 1 to March 31 of the following year
3. Dates of Book Closure	Wednesday, September 24, 2025 to Tuesday, September 30, 2025 (both days inclusive)
4. Record date for Interim / Final Dividend declared in FY 2024-25	N.A.
5. Interim / Final Dividend	N.A.
6. Interim / Final Dividend Payment Date	N.A.
7. Listing on Stock Exchanges & Payment of Listing Fees	N.A.
8. Stock Code	ISIN: INE0DRI01029
9. Registrars and Transfer Agents with address for correspondence	MUFG Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400 083 Tel. : 022 - 49186000 Fax: 022 - 49186060
10. Share Transfer System	The Board has delegated the power of Share Transfer to the Stakeholder Relationship Committee of the Board of Directors.
11. Dematerialisation of Shares and Liquidity	10,04,27,753 Equity shares are held in the electronic mode as on 31th March 2025.

12. Electronic Clearing Service (ECS)	SEBI, through its Circular No., CIR/MRD/DP/10/2013, dated March 21, 2013, has mandated the Companies to use Reserve Bank of India (RBI) approved electronic payment modes, such as ECS, NEFT, NACH and others to pay members in cash. Members are requested to update their Bank Accounts details with their respective depository participants (for shares held in the electronic form) or write to the Company's Registrars and Transfer Agents, M/s MUFG Intime India Private Limited (for shares held in the physical form). Members are encouraged to utilize ECS for receiving dividends.
13. Investor Complaints to be addressed to	Registrars and Transfer Agents or Prasad Deokar, Company Secretary, at the addresses mentioned earlier
14. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on equity	The Company has not issued any GDRs/ADRs/ Warrants or any Convertible Instruments.
15. Plant Locations	Nashik, Navi Mumbai, Bangalore and Mohali

Details of fees paid to statutory Auditors during the financial year 2024-25

The total fees paid / payable for all services rendered by the statutory auditor viz. Shah Khandelwal Jain & CO., Chartered Accountants, for the Company is ₹ 41.62 lakhs (exclusive of taxes).

Disclosure pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Disclosure pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Board's Report which forms part of this Annual Report.

Disclosure on Website

The necessary information / Codes / Policies have been hosted on the website of the Company (www.esds.co.in).

For and on behalf of the Board of Directors of
ESDS Software Solution Limited

SD/-

Place: Nashik
Date: September 08, 2025

(Piyush Somani)
Chairman and Managing Director
DIN : 02357582

Annexure I

AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

(MARCH 31, 2025)

Part " A" : Subsidiaries

Amounts in Million

Sr.No.	Name of Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets (excl Investments)	Total Liabilities (excl Share Cap & Reserve & Surplus	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% Shareholding
1	Spochub Solutions Private limited	INR	0.20	(0.08)	0.14	0.02	-	-	(0.02)	-	(0.03)	-	100.00
2	ESDS Global Software Solution Inc.	USD	0.08	(10.88)	2.12	13.83	-	0.00	0.00	-	0.00	-	100.00
3	ESDS Cloud FZ LLC	AED	16.44	(14.77)	19.12	17.46	-	1.70	(2.08)	-	(2.08)	-	100.00

Annexure II

Annual Report on Corporate Social Responsibility

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline of the Company's CSR Policy

The Board of Directors at its meeting held on 7th August, 2021 and 21st March, 2025 approved the revised CSR Policy of your Company upon recommendation of the CSR Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Companies Corporate Social Responsibility Amended Rules, 2021 issued by the Ministry of Corporate Affairs vide its notification dated January 22, 2021.

The objective of the CSR Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

The CSR Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

2. Composition of CSR Committee is covered in the Corporate Governance Report.

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Piyush Somani	Chairman / Executive Director	1	1
2.	Mr. Alipt Sharma	Member / Non-Executive Director	1	1
3	Ms. Pamela Kumar	Member / Independent Director	1	1

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

   - Composition of CSR Committee is available on Company's Website and can be accessed at the below link;

     https://www.esds.co.in/investors/investors-pdf/CSR-Policy-for-ESDS.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules,2014, if applicable (attach the report).: **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

6. Average net profit of the company as per section 135(5): **₹ 558.87 Lakhs.**

7. (a) Two percent of average net profit of the company as per section135(5): **₹ 11.18 Lakhs**.
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
   (c) Amount required to be set off for the financial year, if any: **Nil**
   (d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 11.18 Lakhs.**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12.63	Not Applicable				

   (b) Details of CSR amount spent against ongoing projects for the financial year: **Nil**
   (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the Project**		**Amount spent for the project (₹ In Lakhs)**	**Mode of Imple-ment-tation - Direct (Yes/ No)**	**Mode of implementation – Through implementing agency**	
				State	**District**			**Name**	**CSR registration number**
1	Jalasamriddh Nashik Abhiyan 2024	(i)	Yes	Maharashtra	Nashik	11.00	Implementing agency	Bharatiya Jain Sanghatana ("BJS")	CSR00002537
2	Tree Plantation Project	(i)	Yes	Maharashtra	Nashik	1.63	Direct	NA	NA

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **N.A.**

(f) Total amount spent for the Financial Year(8b+8c+8d+8e) – **₹ 12.63 Lakhs**

(g) Excess amount for set off, if any: **₹ 83,000/-**

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**

Sl. No.	**Preceding Financial Year**	**Amount transferred to Unspent CSR Account under section135(6) (in ₹)**	**Amount spent in the Reporting Financial Year (in ₹).**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any**			**Amount remaining to be spent in succeeding financial years (in ₹)**
				Name of the Fund	**Amount (in ₹)**	**Date of transfer**	
1	N.A.	N.A.	Nil	Not Applicable			Nil

(c) Details of CSR amount spent in the financial year for ongoing projects of the preceding three financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details).**

(a) Date of creation or acquisition of the capital asset(s): **Nil**
(b) Amount of CSR spent for creation or acquisition of capital asset : **Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Nil
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Nil

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

Sd/-

(Piyush Somani)
Chairman & Managing Director and Chairman of CSR Committee
DIN: 00112324

Place: Nashik
Date: September 08, 2025

Annexure III

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2025

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

To,

The Members,

ESDS SOFTWARE SOLUTION LIMITED
CIN: U72200MH2005PLC155433
Plot No. B-24 & 25,
NICE AREA, M.I.D.C. SATPUR.
NASIK MH 422007.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by ESDS SOFTWARE SOLUTION LIMITED having CIN: U72200MH2005PLC155433 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under;
ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings.

v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992(SEBI Act)

a) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the companies act and dealing with clients.

vi) Other laws applicable to the company specifically:

a) Information Technology Act, 2000 and the rules made thereunder;
b) The Indian Copyright Act, 1957
c) The Patents Act, 1970
d) The Trade Marks Act, 1999
e) The Shops & Commercial Establishments Act;
f) The Labour Welfare Fund Act;
g) The Payment of Wages Act, 1936;
h) The Minimum Wages Act, 1948;
i) The Payment of Bonus Act, 1965;
j) The Workmen's Compensation Act, 1923;
k) The Employees' State Insurance Act, 1948;
l) The Employees' Provident Funds & Miscellaneous Provisions Act, 1952;
m) The Maternity Benefit Act, 1961;
n) The Industrial Disputes Act, 1947;
o) The Employment Exchanges Act;
p) The Contract Labour Act;
q) The Equal Remuneration Act, 1976
r) State Pollution Control Board requirements
s) Fire Department requirements
t) Electrical & DG Set Permission requirements
u) Compliance under all applicable ISO & other certifications

vii) I have relied on the representation made by the company and its officers for systems and mechanism formed by the company for the compliances under the applicable Acts, Laws and Regulations to the company. The list of major heads/groups of Acts, Laws and Regulations as applicable to the Company is as follows:

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I. The following is the status of Change in directors and KMPs in the year:

Name	Designation	Appointment/ Cessation	Date
MR. JITENDRA PATHAK	Additional Director	Appointment	04/02/2025

MR. JITENDRA PATHAK was appointed as Professional Director during the period under the review for which e-form DIR-12 was filed in due time.

II. The Audit Committee and Nomination Remuneration Committee as per section 177 & 178 of Companies Act, 2013 are duly reconstituted during the period under the review.

III. M/S Kirtane and Pandit, Chartered Accountants were appointed as the Internal Auditor for the Financial Year 2024-2025 by Board Of Directors. The appointment was duly made as per the provisions of section 138 of the Companies Act, 2013.

IV. Following legal proceedings were made against the company:

Matter	Legislation	Liability- Contingent or Paid
Complaint filed by Rajeev Papneja against the Company in the matter of non-receipt of shares after the split as promised by the company in 2015 and shares relating to the ESOP dated 30th August 2021	Bombay High Court	As per the Company No Liability or there is no substantial impact on the operations of the company. (Case is still open)

V. The company has complied with the implementation of POSH (Prevention of Sexual Harassment Act) related policy and committee as per requirement.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

FOR MILIND GUJAR & ASSOCIATES
Company Secretaries

Place : NASHIK
Date : 13.08.2025
UDIN : F009937G001000905
Peer review Cert.No.2982/2023

Sd/-

CS MILIND J GUJAR
Company Secretary in Practice
(Membership No.: 9937)
(C. P. No.: 12295)

T | + 91. 20. 6721 5500
www.skjican.in
Level 3, Riverside Business Bay,
Wellesley Road Near RTO,
Pune - 411 001, (MH) India

INDEPENDENT AUDITOR'S REPORT

To the Members of ESDS Software Solution Limited

Report on the Separate Ind AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of ESDS Software Solution Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the IND AS financial statements give the information required by the Companies Act 2013, as amended ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year ended on that date.

Basis for Opinion

We have conducted the audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial 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 Companies Act, 2013 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.

Key Audit Matters

Key Audit Matters are those matters which in our professional judgement, were of the most significance in our Audit of the Separate IND AS Financial Statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the Separate Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter – Revenue Recognition

The Company's contracts with customers include contracts with multiple products and services. The company derives revenues from IT enabled services comprising Cloud Computing Infrastructure as a service (IaaS), Software as a Service (SaaS) and related managed services. As certain contracts with customers involve management's judgment in:

(1) Identifying distinct performance obligations,

(2) Determining whether the Company is acting as a principal or an agent and

(3) Whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method.

The Company has also assessed -

(i) The possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts,

(ii) Onerous obligations,

(iii) Penalties relating to breaches of service level agreements and

(iv) Termination or deferment of contracts by customers.

Revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort.

(Refer Note 2.7, 2.14, 2.15 in notes to the Separate Financial Statements for relevant accounting policy.)

<u>How our audit addressed the matter:</u>

In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

(i) Obtaining an understanding of the systems, processes and controls implemented by management for recording and computing revenue and associated unbilled revenue, unearned and deferred revenue balances and onerous contract obligations, if any.

(ii) Evaluated the design and operating effectiveness of internal controls relating to the application of revenue accounting standard specifically, those relating to identification of the distinct performance obligations and determination of transaction price.

(iii) In respect of a sample of large and complex contracts and certain other contracts, our procedures included, among other things:

a. Identified significant terms of the contracts;
b. Assessing appropriateness of management's significant judgements in accounting for identified contracts such as identification of performance obligation and allocation of consideration to identified performance obligation;
c. Evaluation of the contract terms with respect to assessment of the date of transfer of control;
d. Testing of timing of recognition of revenue (including procedures related to cut off) in line with the terms of contracts;
e. Testing the appropriateness of key assumptions used by Management including the appropriateness and reasonability of Management's conclusion regarding the expected delays in estimated completion of the performance obligations and possible impact on key estimates. Obtained understanding of the terms and communications with the customers to assess the likelihood of availability of contractual remedies.

(iv) Reviewing the adequacy and presentation of revenue recognition disclosures in the financial statements, ensuring their compliance with the disclosure requirements of Ind AS 115.

Our audit procedures, combined with other procedures performed during the audit, provided us with sufficient evidence to form our opinion on the Company's revenue recognition practices and their compliance with Ind AS.

Information other than the Financial Statements and Auditors' Report thereon

The Board of Directors of the company is responsible for the preparation of other information. The other information comprises the information included in the Annual Report, but does not include the Separate Financial Statements and our auditors' report thereon.

Our opinion on the Separate 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 Separate Financial Statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the Separate Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and those charged with governance

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those board of directors are also responsible for overseeing the company's financial reporting process.

As per the Rule 11(g) of the Companies (Audit and Auditors) Amendment Rules, 2021; every company which uses accounting software for maintaining its books of accounts, is required to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The management has a responsibility for effective implementation of the requirements prescribed by account rules and for ensuring selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations (including those related to retention of audit logs).

Auditor's Responsibility

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

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

(i) Identify and assess the risks of material misstatement of the Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(ii) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Separate Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(v) Evaluate the overall presentation, structure and content of the Separate Financial Statements, including the disclosures, and whether the Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Separate Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Separate Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Separate Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 purpose 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;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2025, and 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 adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its IND AS financial statements (Refer note no. 29 of financial statement);

ii. The Company has made provision, as required if any under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

b) The management has represented that, to the best of its knowledge and belief , no funds (which are material either individually or in the aggregate) have been received by the company from any person or entities including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise , that the company shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever 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 were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year, therefore the provisions of the section 123 of the Act is not applicable.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for the record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure 2', a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

For Shah Khandelwal Jain & Associates
Chartered Accountants
ICAI Firm Registration No. 142740W

Sd/-

Ashish Khandelwal
Partner
Membership No.049278
Place: Pune
Date: 13-08-2025
UDIN: 25049278BMHZEL9748

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Annexure 1 referred to in paragraph 2 (f) under the heading "Report on other Legal and Regulatory requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of ESDS Software Solution Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us and based on our audit, the Company, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2025.

For Shah Khandelwal Jain & Associates
Chartered Accountants
Firm Registration No: 142740W

Sd/-

Ashish Khandelwal
Partner
Membership No. 049278
Place: Pune
Date: 13-08-2025
UDIN: 25049278BMHZEL9748

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Pune - 411 001, (MH) India

ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2025 OF ESDS Software Solution Limited ("the Company")

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of subsection 11 of section 143 of Companies Act, 2013 ("the Act")

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

(B) The company has maintained proper records showing full particulars of intangible assets;

(b) Property, Plant and Equipment and Right of Use assets (ROU) were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment and ROU at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the company does not own any immovable property. Accordingly, Clause 3 (i) (c) of the order is not applicable to the company.

(d) The company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2025.

(e) According to the information and explanations given to us, the Company has no ongoing proceedings or any pending proceedings as at March 31, 2025 under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)).

ii. (a) The company is involved in the business of rendering services. Accordingly, the requirements of Para 3(ii) (a) of the order is not applicable to the company.

(b) The company has been sanctioned working capital limits in excess of Rs 5 crores in aggregate from bank during the year based on the security of current assets of the company. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks or financial institutions and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit. In our opinion, the quarterly returns or statements filed by the Company with such banks are generally in agreement with the books of accounts of the Company.

iii. (a) (A) According to the records of the Company, during the year the Company has granted a loan to the subsidiary.

(B) According to the records of the company, the company has not provided any guarantee or security or granted any loans or advances in the nature of loans secured or unsecured during the year to other than subsidiaries, joint ventures or associates.

Details of which have been provided in following table:

	Guarantees	**Security**	**Loans**	**Advances in nature of loans**
Aggregate amount granted/provided during the year. - Subsidiaries - Joint Ventures - Associates - Others			399.50 Million	
Balances outstanding as at balance sheet date in respect of above cases - Subsidiaries - Joint Ventures - Associates - Others			396.07 Million 0.20 Million	

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

(c) As per the records provided by the company, In case of loan given to ESDS Cloud FZ LLC, repayment of the loan and payment of interest are regular as per the stipulated schedule of repayment of principal or payment of interest. In case of loan given to ESDS Global Software

Solution Inc, there is no stipulation of schedule of repayment of principal and payment of interest. Hence we are unable to make specific comment on the regularity of repayment of principal & payment of interest.

(d) As per the records provided by the company, in case of ESDS Cloud FZ LLC, there is no amount that is overdue for more than ninety days. In case of ESDS Global Software Solution Inc, there is no stipulation of schedule of repayment of principal or payment of interest. Hence, we are unable to comment on the fact that whether any amount is overdue for more than ninety days.

(e) In our opinion and according to information and explanation given to us, no amount of loans and advances which had fallen due during the year, has been renewed or extended or fresh loan granted to settle existing loans given to the same parties.

(f) The aggregate amount of loans and advances granted in the nature of loans and advances to promoters or related parties which are either repayable on demand or without specifying any terms or period of repayment is as follows-

	All Parties	Promoters	Related Parties
Aggregate amount of loans/advances in the nature of loans - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	 - 2.89 million	 - -	 - 2.89 million
Total (A+B)	2.89 million	-	2.89 million
Percentage of loans/ advances in nature of loans to the total loans	0.73%		0.73%

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.

v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder as on March 31, 2025 and the Company has not accepted any deposits during the year.

vi. In our opinion and according to the information and explanation given to us, the requirement of sub-section 1 of section 148 of The Companies Act is not applicable to the company and accordingly para 3(vi) of the order is not applicable.

vii. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' state insurance, Income Tax, and any other material statutory dues to the extent applicable with appropriate authorities.

As per the explanations and data provided to us by the Management, there are no Undisputed Statutory Dues including Income Tax, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) As per the information and explanation given, following are the disputed statutory dues of the company:

Name of the statute	Amount (in Millions)	Period to which amount relates	Forum where dispute is pending	Remarks (if any)
Goods and Service Tax	18.61	FY 2019-20	Deputy Commissioner of state tax	
Goods and Service Tax	1.80	FY 2020-21	Deputy Commissioner of state tax	
Goods and Service Tax	2.59	FY 2020-21	Deputy Commissioner of state tax	

viii. According to the records of the Company and as per information & explanation given, there were no transaction relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act 1961 (43 of 1961) during the year.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not declared as the willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us and based on our examination of the records of the Company, funds raised on a short-term basis have not been utilized for long-term purposes.

(e) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Para 3(x) (a) of the Order is not applicable to the Company.

(b) The Company has made private placement of shares during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

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 and standards in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees during the course of our audit.

(b) No report under sub section (12) of section 143 of the Companies Act has been filed by us in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report;

(c) The Company has not received any whistle blower complaints during the year.

xii. The Company is not a Nidhi Company. Accordingly, para 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us, transactions with the related parties are in compliance with provisions of section 177 and section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company, for the period under audit.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its directors or persons connected to its directors. Hence provisions of Section 192 of the Companies Act 2013, are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence the provisions of clause 3 (xvi) (a to d) of the Order are not applicable to the Company.

xvii. According to the records of the Company, the Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors during the year and accordingly, the provisions of clause 3 (xviii) of the Order are not applicable to the Company.

xix. On the basis of the financial ratios read with Note 41, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, 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 balance sheet date 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 audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013, in compliance with second proviso to sub section 5 of section 135 of the Companies Act, 2013.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act, 2013.

For Shah Khandelwal Jain & Associates
Chartered Accountants
Firm Registration No.:142740W

Sd/-

Ashish Khandelwal
Partner
Membership No.: 049278
Place: Pune
Date: 13-08-2025
UDIN: 25049278BMHZEL9748

ESDS Software Solution Limited
Separate Financial Statements
Balance Sheet as at March 31, 2025
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	2,849.96	2,180.36
Right -of- use- of- assets	4	662.43	994.73
Intangible assets	5	12.70	33.20
Financial Assets			
Investments	6	429.22	0.56
Non- current financial assets	7.a	122.22	97.19
Other non-current assets	8	33.61	24.81
Total non-current assets		**4,110.14**	**3,330.86**
II. Current assets			
Current financial assets			
Trade receivables			
Billed	9a	984.93	685.45
Unbilled	9b	432.22	504.53
Cash and cash equivalents	10	190.48	12.74
Other current financial assets	7.b	823.63	576.55
Income-tax assets	11	-	140.39
Other current assets	12	365.96	178.85
Total current assets		**2,797.22**	**2,098.52**
Total assets		**6,907.36**	**5,429.38**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	100.43	92.89
Other equity			
Reserves and surplus	14	4,314.50	2,343.27
Other reserves	14	116.71	116.95
Total equity		**4,531.63**	**2,553.12**
LIABILITIES			
I. Non-current liabilities			
Non-current financial liabilities			
Non-current borrowings	15.a	405.97	847.73
Lease liabilities	4	499.89	933.12
Employee benefit obligations	17	141.10	120.19
Deferred tax Liability (net)	21	119.96	65.36
Total non-current liabilities		**1,166.92**	**1,966.39**
II. Current liabilities			
Current financial liabilities			
Current borrowings	15.b	221.16	306.67
Lease liabilities	4	140.40	164.49
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	18	26.50	5.72
Total outstanding dues of creditors other than micro enterprises and small	18	256.59	221.23
Other current financial liabilities	16	392.94	101.20
Employee benefit obligations	17	3.56	3.13
Other current liabilities	19	167.64	107.43
Total current liabilities		**1,208.79**	**909.87**
Total liabilities		**2,375.71**	**2,876.26**
Total equity and liabilities		**6,907.36**	**5,429.38**

The above balance sheet should be read in conjunction with the material accounting policy information and notes forming part of the Separate Financial Information.

This is the Separate Balance Sheet referred to in our report of even date.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/08/2025

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date : 13/08/2025

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date : 13/08/2025

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No:A34350
Place : Nashik
Date : 13/08/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer
Place : Nashik
Date : 13/08/2025

ESDS Software Solution Limited
Separate Financial Statements
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Notes	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Revenue from operations	22	3,574.28	2,813.68
Other income	23	161.05	56.38
Total income		**3,735.34**	**2,870.05**
Expenses			
Employee benefit expense	24	937.37	841.21
Finance costs	25	218.63	271.48
Depreciation and amortisation expense	26	607.43	494.40
Other expenses	27	1,098.34	1,002.19
Total expenses		**2,861.77**	**2,609.27**
Profit /(loss) before exceptional items		**873.57**	**260.78**
Exceptional Items			
Rates and Taxes	39	1.41	6.55
Penalty	39	-	4.18
Profit /(loss) before tax		**872.15**	**250.04**
Income tax expense			
Current tax	20	245.55	4.56
Less: MAT credit entitlement		(73.92)	-
Prior year taxes		-	4.35
Deferred tax	20	92.95	76.31
Total tax expense / (write-back of tax expense)		**264.58**	**85.22**
Profit/(loss) for the year [A]		**607.57**	**164.83**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Changes in the fair value of debt instruments at FVOCI		-	-
Items that will not be reclassified to profit or loss			
Revaluation surplus on Land and Buildings		-	38.97
Changes in the fair value of equity instruments at FVOCI		-	-
Remeasurement of post-employment benefit obligations		(3.02)	(9.71)
Income tax relating to these items		0.84	2.70
		(2.18)	(7.01)
Total other comprehensive income/(loss) for the year, net of tax [B]		**(2.18)**	**31.96**
Total comprehensive income/(loss) for the year [A+B]		**605.40**	**196.79**
Earnings per share	28		
Basic (Face value of equity shares : 1 per share)		6.37	1.77
Diluted		6.37	1.77

The above statement of profit and loss should be read in conjunction with material accounting policy information and notes forming part of the Separate Financial Information.

This is the Statement of Separate Peofit & Loss referred to in our report of even date.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/08/2025

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date : 13/08/2025

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date : 13/08/2025

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No:A34350
Place : Nashik
Date : 13/08/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer
Place : Nashik
Date : 13/08/2025

ESDS Software Solution Limited
Separate Financial Statements
Statement of Cashflows for the year ended March 31, 2025
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A) Cash flows from operating activities		
Profit / (loss) before tax	872.15	250.04
Adjustments for		
Depreciation and amortisation expense	607.43	494.40
(Gain)/loss on sale of property, plant and equipment	(0.78)	(0.09)
Expected credit loss allowance	99.27	55.29
Bad Debts	-	-
Balances written off	-	32.23
Balances written back	(1.82)	(2.48)
Interest income classified as investing cash flow	(39.28)	(34.52)
Finance costs	218.63	271.48
Unrealised exchange (gain)/loss	9.03	0.87
Employee stock option expenses	2.25	5.18
Cessation of lease liabilities	(104.93)	
Operating profit before working capital changes	**1,661.94**	**1,072.38**
Changes in working capital		
(Increase) / decrease in trade receivables	(335.46)	(403.08)
(Increase)/ decrease in current and non current financial assets	(268.08)	35.31
(Increase) / decrease in other current and non current assets	(195.91)	2.55
Increase / (decrease) in trade payables	57.90	(34.31)
(Increase)/ decrease in other financial liabilities	291.74	59.81
Increase / (decrease) in employee benefit obligations	18.73	19.48
Increase/ (decrease) in other current and non current liabilities	60.21	(16.75)
Cash generated from operations	**1,291.09**	**735.41**
Income taxes paid (net of refunds received)	(69.35)	58.06
Net cash inflow/ (outflow) from operating activities	**1,221.74**	**793.46**
B) Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(1,136.00)	(230.45)
Proceeds from sale of property, plant and equipment and intangible assets	1.78	0.30
Bank balances not considered as cash and cash equivalents	-	(74.02)
Interest / Income on investment received	39.28	34.52
Net cash flows from investing activities	**(1,094.93)**	**(269.65)**
C) Cash flows from financing activities		
Proceeds/(Repayment) from issue of Non-convertible debtentures	-	-
Increase/(Decrease) in non-current borrowings	(441.76)	(198.42)
Increase/(Decrease) in current borrowings	(85.52)	(7.32)
Principal elements of lease payments	(226.82)	(277.71)
Interest paid	(136.99)	(185.35)
Fresh issue of equity shares	1,370.87	-
Sale of Shares in subsidairy company	0.09	-
Investment in subsidiary Company	(386.19)	-
Investment in mutual funds	(42.76)	-
Net cash inflows/ (outflow) from financing activities	**50.93**	**(668.79)**
Net increase / (decrease) in cash and cash equivalents	177.74	(144.98)
Cash and cash equivalents at the beginning of the year	12.74	157.72
Cash and cash equivalents at the end of the year	**190.48**	**12.74**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31,2025	March 31,2024
Cash and cash equivalents (Note 10)	190.48	12.74
Balances as per statement of cash flows	**190.48**	**12.74**

The above restated consolidated statement of cash flow should be read in conjunction with material accounting policy information and notes forming part of the Separate Financial Information.

Cash flow statement has been prepared under "indirect method" as set out in Ind AS 7 - "Cash Flow Statement".

This is the Cash Flow Statement referred to in our report of even date.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/08/2025

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date : 13/08/2025

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date : 13/08/2025

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No:A34350
Place : Nashik
Date : 13/08/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place : Nashik
Date : 13/08/2025

ESDS Software Solution Limited
Separate Financial Statements
Statement of Changes in Equity for the Year ended March 31, 2025
(All amounts are in Rupees million, unless otherwise stated)

A. Equity share capital

Equity shares of Rs.1 each issued, subscribed and fully paid up

Particulars	Note	Total
As at March 31,2023		**92.89**
Change in equity share capital (refer note no 13)		
As at March 31,2024	**13**	**92.89**
Change in equity share capital (refer note no 13)		**7.53**
As at March 31,2025		**100.43**

B. Other equity

Particulars	Equity component of compoud financial instruments	Reserves and surplus				Other equity		Total other equity
		Securities premium account	Capital redemption reserve	Debenture Redemption Reserve	Retained earnings	Revaluation reserve	Share based payment reserve	
As at March 31,2023	**-**	**1,704.10**	**3.58**	**75.00**	**401.65**	**63.04**	**10.89**	**2,258.25**
Profit for the year	-	-	-	-	164.83	-	-	**164.83**
Other comprehensive Income	-	-	-	-	(7.01)	-	-	**(7.01)**
Revaluation of land and building	-	-	-	-	-	38.97	-	**38.97**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	1.12	(1.12)	-	-
Employee compensation expense for the period	-	-	-	-	-	-	5.18	**5.18**
Securities Premium on account issue of equity shares	-	-	-	-	-	-	-	-
Transferred to Retained Earnings	-	-	-	-	-	-	-	-
As at March 31,2024	**-**	**1,704.10**	**3.58**	**75.00**	**560.59**	**100.89**	**16.07**	**2,460.22**
Profit for the year	-	-	-	-	607.57	-	-	**607.57**
Other comprehensive Income	-	-	-	-	(2.18)	-	-	**(2.18)**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	2.50	(2.50)	-	-
Premium on issue of Equity shares	-	1,404.84	-	-	-	-	-	**1,404.84**
Equity Cost	-	(41.50)	-					**(41.50)**
Employee compensation expense for the period	-	-	-	-	-	-	2.25	**2.25**
Transferred to Retained Earnings	-	-	-	(75.00)	**75.00**	-	-	-
As at March 31,2025	**-**	**3,067.44**	**3.58**	**-**	**1,243.48**	**98.39**	**18.32**	**4,431.20**

The above statement of changes in equity should be read in conjunction with the material accounting policy information and notes forming part of the Separate Financial Information.

This is the Separate Statement of Changes in Equity referred to in our report of even date

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

Sd/-
Ashish Khandelwal
Partner

Membership No.: 049278
Place : Pune
Date : 13/08/2025

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
Piyush Somani	**Komal Somani**	**Prasad Deokar**	**Nadukuru Sita Ramaiah**
Chairman and Managing Director	Whole Time Director	Company secretary and compliance officer	Chief Financial Officer
DIN :02357582	DIN: 08477154	M No:A34350	
Place: Nashik	Place: Nashik	Place : Nashik	Place : Nashik
Date : 13/08/2025	Date : 13/08/2025	Date : 13/08/2025	Date : 13/08/2025

1. Corporate information

ESDS Software Solution Limited (Formerly known as ESDS Software Solution Private Limited) ('ESDS' or the 'Company') incorporated on August 18, 2005, is engaged in providing IT enabled services (Infrastructure as a service, software as a service and managed services) and supply of IT enabled products closely connected with the rendering of the IT enabled services.

The Company has its registered office in Nashik and runs its business operations in four cities Nashik, Mumbai, Bengaluru and Mohali.

2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these separate financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Company consisting of ESDS Software Solution Limited (the 'Company').

2.1 Basis of accounting, preparation and presentation

(i) Compliance with Ind AS

The separate 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.

(ii) Historical cost convention

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

• Certain financial assets and liabilities (including derivative instruments) and contingent consideration is measured at fair value;

• Assets held for sale – measured at fair value less cost to sell; and

• Defined benefit plans – plan assets measured at fair value;

The financial statements are presented in "INR" and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

(iii) 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 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 realization in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realization 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.

(iv) Segment reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Company is engaged in the business of "design, development, installation and servicing of information technology related resource which is a single business segment since these are subject to similar risk and returns. Accordingly, Information technology related resource service comprises the primary basis of segmental information as set out in these financial statement, which therefore reflects the information required by Ind AS 108 - Segment reporting, with respect to primary segment.

Since the entire Company's business is design, development, installation and servicing of information technology related resource, there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortization during the period are all as reflected in the Financial Statements as at and for the year ended March 31, 2025.

(v) Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.2 Property, plant and equipment

Initial recognition

All items of property, plant and equipment (including capital work-in-progress) are measured at its cost.

The cost of an item of property, plant and equipment comprises:

(a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement after recognition

The Company has elected revaluation model for measurement of land and building whose fair value can be measured reliably at each reporting period.

(a) Revaluation model for certain class of property, plant and equipment

Land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation reserve to retained earnings.

(b) Cost model for other class of assets

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of 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.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Type of asset	Useful life w.e.f April 2021 (in years)*
Office building	60
Computers and data centre equipment	3/4/5/6/10/15
Office equipment	3/4/5/8/10/15/20
Furniture and fittings	10
Vehicles	8

*The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

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

The change in useful life is a change in estimate as per Ind AS 8, Ind AS 16 and the impact of the same on depreciation and resultant carrying amount has been applied prospectively.

2.3 Intangible assets (including intangible assets under development)

Software:

Intangible assets are recognized at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life so as to reflect the pattern in which the assets economic benefits are consumed.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

• It is technically feasible to complete the software so that it will be available for use

• Management intends to complete the software and use or sell it

• There is an ability to use or sell the software

• It can be demonstrated how the software will generate probable future economic benefits

• Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and

• The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Following summarizes the nature of intangible and the estimated useful life:

Asset	Useful life (in years)
Software	10 and 3

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

2.4 Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

• Fixed payments (including in-substance fixed payments), less any lease incentives receivable

• Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

• Amounts expected to be payable by the Company under residual value guarantees

• The exercise price of a purchase option, if the Company is reasonably certain to exercise that option, and

• Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

• where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received

• uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and

• makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal 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.

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

• The amount of the initial measurement of lease liability

• Any lease payments made at or before the commencement date less any lease incentives received

• Any initial direct costs, and

• Restoration costs.

Right-of-use assets are generally 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.

Payments associated with short-term leases of equipment and all 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. Low-value assets comprise IT equipment and small items of office furniture.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.5 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

2.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.7 Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Unbilled revenue are classified as financial asset, when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled revenues for other fixed price contracts are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

2.8 Contract Fulfilment Cost

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is charged to profit and loss, whenever the performance obligation in relation to this asset is satisfied.

2.9 Other financial assets

(i) Classification

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), and

• Those to be 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 equity instruments that are not held for trading, 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 FVOCI.

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

(ii) Recognition

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

(iii) Measurement

At initial recognition, the Company measures a financial asset 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.

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. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/ (losses). Impairment losses are presented as separate line item in the statement of profit and loss.

• **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 FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income 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 are presented in other gains/ (losses) and impairment expenses are presented as separate line item in statement of profit and loss.

• **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 is recognised in profit or loss and presented net within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

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 following the de-recognition of the investment. 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 gain/ (losses) 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.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 33 for details stating how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition 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.

2.10 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 for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 in India where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income 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 separate financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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.

Minimum Alternate Tax

Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be grouped with deferred tax asset (net) in the Balance Sheet, and a separate note should be provided specifying the nature and amount of MAT credit included as part of deferred tax assets.

2.11 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.

The fair value of the liability portion of a compulsorily convertible preference is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

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).

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.

2.12 Employee benefit obligations

Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of 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, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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.

2.13 Trade and other payables

These amounts represent liabilities for services provided to the Company prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within the agreed credit days of recognition. 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.

2.14 Unearned revenue

Unearned revenue relates to billing done for services/ performance obligations which have not been performed as on the date of reporting. These billings are as per the terms of the contract with customers.

2.15 Revenue from contracts with Customers

Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A new five-step process must be applied before revenue can be recognised:

(i) Identify contracts with customers

(ii) Identify the separate performance obligation

(iii) Determine the transaction price of the contract

(iv) Allocate the transaction price to each of the separate performance obligations, and

(v) Recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Company has Revenue from sale of services

The Company accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

The Company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from contract with customers is recognized when the Company satisfies performance obligations by transferring promised services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The 'transaction price' as the amount of consideration to which an entity expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties. Accumulated experience is used to estimate and provide for the discounts/right of the return, using the expected value method.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company’s performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date.

If none of the criteria above are met, the Company recognizes revenue at a point-in-time. The point-in-time is determined when the services are rendered which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to receive payment and the customer acceptance in determining the point in time where control has been transferred.

(i) Rendering of services (Turnkey revenue and Webhosting revenue)

The Company provides hosting services, design, implementation and support services under fixed-price and variable-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered based on usage. For fixed-price contracts, revenue is recognised based on the actual service provided to the customer till the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual man hours spent relative to the total expected man hours. Some contracts (Especially in case of Turnkey projects) include multiple deliverables, such as the sale of hardware and related installation services. However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. If contracts include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes a usage based fee, revenue is recognised in the amount to which Company has right to invoice. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

The amount recognised as revenue is exclusive of Goods and service tax and is net of discounts.

2.16 Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

2.17 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.18 Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 34.

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

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.19 Earnings per share

(i) 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 period and excluding treasury shares (Refer note : 28).

(ii) 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.

ESDS Software Solution Limited
Notes Forming Part of Separate Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees million, unless otherwise stated)

3 Property, plant and equipment

Particulars	Land	Leasehold land improvements	Buildings	Computer and data centre equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as at April 1, 2023	**65.67**	**53.19**	**110.64**	**2,218.73**	**420.46**	**70.15**	**33.99**	**2,972.83**
Additions during the year	-	-	-	196.81	4.79	3.05	11.97	**216.62**
Reclassified from ROU	-	-	-	287.06	-	-	-	**287.06**
Revaluation of assets	20.04	-	21.88	-	-	-	-	**41.91**
Disposals during the year	-	-	-	-	-	-	(0.74)	**(0.74)**
Gross carrying amount as at March 31, 2024	**85.70**	**53.19**	**132.52**	**2,702.60**	**425.25**	**73.21**	**45.23**	**3,517.69**
Accumulated depreciation till April 1,2023	**2.57**	**3.72**	**7.66**	**743.09**	**205.24**	**26.61**	**16.67**	**1,005.57**
Charge for the year	0.73	0.93	2.14	256.64	57.04	7.35	4.51	**329.34**
Revaluation of assets	1.01	-	1.94	-	-	-	-	**2.94**
Accumulated depreciation on disposals during the year	-	-	-	-	-	-	(0.53)	**(0.53)**
Closing accumulated depreciation as at March 31, 2024	**4.30**	**4.65**	**11.74**	**999.73**	**262.29**	**33.96**	**20.65**	**1,337.33**
Net carrying amount as at March 31, 2024	**81.40**	**48.53**	**120.78**	**1,702.87**	**162.96**	**39.24**	**24.58**	**2,180.36**

Particulars	Land	Leasehold land improvements	Buildings	Computer and data centre equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as at April 1, 2024	**85.70**	**53.19**	**132.52**	**2,702.60**	**425.25**	**73.21**	**45.23**	**3,517.69**
Additions during the year	-	-	-	1,108.14	17.12	8.99	-	**1,134.24**
Revaluation of assets	-	-	-	-	-	-	-	**-**
Disposals during the year	-	-	-	-	-	-	(3.56)	**(3.56)**
Gross carrying amount as at March 31, 2025	**85.70**	**53.19**	**132.52**	**3,810.74**	**442.37**	**82.19**	**41.66**	**4,648.37**
Accumulated depreciation till April 1,2024	**4.30**	**4.65**	**11.74**	**999.73**	**262.29**	**33.96**	**20.65**	**1,337.33**
Charge for the period	0.77	0.93	1.57	353.30	90.87	8.83	5.14	**461.41**
Revaluation of assets	1.50	-	1.00	-	-	-	-	**2.50**
Accumulated depreciation on disposals during the year							(2.82)	**(2.82)**
Closing accumulated depreciation as at March 31, 2025	**6.57**	**5.59**	**14.31**	**1,353.03**	**353.15**	**42.79**	**22.97**	**1,798.42**
Net carrying amount as at March 31, 2025	**79.13**	**47.60**	**118.21**	**2,457.71**	**89.21**	**39.40**	**18.69**	**2,849.96**

Additional Disclosures:

1. The Company has elected to apply the revaluation model to its specified class of assets i.e. Land and Building of Property, Plant, and Equipment (PPE) as permitted by Ind AS 16 - Property, Plant and Equipment. Under this model, certain classes of PPE are carried at revalued amounts, reflecting fair values determined by market-based evidence at the date of revaluation.
2. The revaluation of Land and Building was conducted as of 12/04/2024, in accordance with the requirements of Indian Accounting Standard (IND AS) 16, "Property, Plant, and Equipment.
3. The revaluation was conducted by "Sunil Bhor and Associates" Govt. Registered Valuer, a reputable and independent valuation firm, appointed based on their expertise and in compliance with the guidelines outlined in IND AS 16.
4. In the absence of revaluation, the carrying amount of Land and Building would be Rs. 62.37 million and Rs. 100.84 million recognized at historical cost less accumulated depreciation and impairment losses.
5. The revaluation surplus resulting from the revaluation of PPE has been recognized in Other Comprehensive Income. For the current period, revaluation surplus amounts to Rs. 38.96 million , reflecting the difference between the fair value and the carrying amount of the revalued assets.

(All amounts are in Rupees million, unless otherwise stated)

4 Right to use Asset

Following are the changes in the carrying value of right of use assets for the Year ended March 31,2025

Particulars	Premises	Equipments	Amount
Balance as at March 2023	**505.19**	**325.21**	**830.41**
Addition	348.40	237.10	585.50
ROU transferred to PPE on buyout option*	-	(287.06)	(287.06)
Amortisation**	(72.50)	(61.61)	(134.12)
Balance as at March 31,2024	**781.08**	**213.64**	**994.73**
Addition	23.77		23.77
Deletion	(233.06)		(233.06)
Amortisation**	(96.42)	(26.60)	(123.02)
Balance as at March 31,2025	**475.38**	**187.04**	**662.43**

* During the FY 2023-24 the company exercised its purchase option on a Right-of-Use (ROU) asset as per the terms outlined in the relevant lease agreements. This exercise of the purchase option resulted in a reclassification of the ROU asset to Property, Plant, and Equipment, in accordance with Indian accounting standards 16 & 116. The carrying amount of the ROU asset transferred to Property, Plant, and Equipment as at the date of exercise of purchase option in the relevant lease agreements is Rs. 287.06 million.

**The aggregate amortisation expense on ROU assets is included under depreciation and amortization expense in the statement.

The following is the break-up of current and non-current lease liabilities :
Lease liabilities

Particulars	March 31,2025	March 31,2024
Non-current	499.89	933.12
Current	140.40	164.49
Total	**640.29**	**1,097.61**

The following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	March 31,2025	March 31,2024
Balance as at beginning of the reporting period	1,097.61	703.90
Additions during the year	22.17	585.28
Deletion	(334.32)	-
Finance cost accrued during the period	81.65	86.13
Payment of lease liabilities	(226.82)	(277.71)
Balance as at end of the reporting period	**640.29**	**1,097.61**

Payment of lease liabilities

Particulars	Premises	Equipments	Total
For the period ended March 31,2025	135.31	91.51	**226.82**
For the period ended March 31,2024	141.27	136.43	**277.71**

The lessee’s range of weighted average incremental borrowing rate applied to the lease liabilities was 9.50%.

The leases mainly comprises of DC premises,office premises, equipements and servers

Details Regarding contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis are as follows :

Particulars	March 31,2025	March 31,2024
Upto One year	194.09	260.59
One to Five years	573.12	1,022.98
More than Five years	50.06	167.04
Total	**817.27**	**1,450.60**

(All amounts are in Rupees million, unless otherwise stated)

5 Intangible assets

Particulars	Softwares
Opening gross carrying amount as at April 1, 2023	**127.46**
Additions during the year	-
Add:Transfer from Intangible assets under development	-
Disposals during the year	-
Gross carrying amount as at March 31, 2024	**127.46**
Accumulated Amortisation	
Balance as at April 1, 2023	63.32
Amortisation charge for the year	30.94
Accumulated amortisation on disposals during the year	-
Closing accumulated depreciation as at March 31, 2024	**94.26**
Net carrying value as at March 31, 2024	**33.20**

Opening gross carrying amount as at April 1, 2024	**127.46**
Additions during the year	-
Add:Transfer from Intangible assets under development	-
Disposals during the year	-
Gross carrying amount as at March 31, 2025	**127.46**
Accumulated Amortisation	
Balance as at April 1, 2024	94.26
Amortisation charge for the year	20.50
Accumulated amortisation on disposals during the year	-
Closing accumulated depreciation as at March 31, 2025	**114.76**
Net carrying value as at March 31, 2025	**12.70**

(All amounts are in Rupees million, unless otherwise stated)

6 Investments

Particulars	As at March 31,2025	As at March 31,2024
Unquoted investment in body corporate at amortised cost		
Investments in subsidiaries (at Cost)		
ESDS Internet Services Private Limited*		
9,000 (31 March, 2024 : 9,000) equity shares of Rs. 10 each	-	0.09
Investment In Equity Shares of ESDS Global Software Solution Inc		
1,000(31 March, 2024: 1000) equity shares of $1 each	0.07	0.07
Investment In Equity Shares of ESDS Cloud FZ LLC**		
66 (31st March 2024:10) equity shares of AED 1000 each	386.19	0.20
Investment In Equity Shares of Spochub Solutions Private Limited -		
19,980 (31 March, 2024:19,980) equity shares of Rs 10 each	0.20	0.20
In Mutual funds		
Aditya Birla Mutual funds	42.76	-
Total investments	**429.22**	**0.56**

***On August 29, 2024, the company fully sold its investment in ESDS Internet Services Private Limited at the face value of the shares. As a result, ESDS Internet Services Private Limited ceased to be a subsidiary of the company from that date.

**Company has invested Rs.385.99 million during the year in ESDS Cloud LZ LLC for additional 56 shares. Company is awaiting share certificate from the authorities

	Particulars	As at March 31,2025	As at March 31,2024
7.a	**Non current financial assets**		
*	Term deposits with maturity of more than 12 months from reporting date	85.70	56.22
	Other receivables (TDS reimbursements)	3.23	5.75
	Security deposits	33.28	35.22
	Total non-current financial assets	**122.22**	**97.19**
7.b	**Other current financial assets**		
	Security deposit	60.76	41.40
#	Loan to subsidiaries [refer note no :30]	396.07	2.89
	Other loans and advances	0.20	0.20
**	Other receivables	-	25.62
*	Term deposits with maturity of less than 12 months from reporting date	364.71	499.51
	Accrued interest on above term deposits	1.90	6.93
	Total other current financial assets	**823.63**	**576.55**

* Term deposits amounting to Rs.85.70 million (Rs. 56.22 million as at 31st March, 2024) in Non current financial assets out of which Rs. 34.21 million (Rs. 49.79 million as at 31st March, 2024) and Rs. 364.71 million (Rs. 499.51 million as at 31st March, 2024) in Other current financial assets out of which Rs. 324.61 million (Rs. 472.86 million as at 31st March, 2024) have been liened against Bank guarantee and loans taken from bank.
This lien serves as a collateral to secure the repayment of borrowed funds.The liened term deposits classified as a restricted assets, reflecting their encumbrance and limited availability for other purposes.

** The Company has incurred share issue expenses of INR 74.39 million as at Decemeber 03, 2022 (DRHP Expiry date) in connection with proposed public offer of equity shares.In relation to the expenses incurred for the proposed Initial Public Offer (offer for sale from existing shareholders) of equity shares of the Company during the period , the selling shareholders had agreed that the expenses incurred by the Company till date (including any tax reimbursements) will be reimbursed by each of them on a proportionate basis (i.e. in proportion to the respective selling shareholding pattern) amounting to Rs.25.62 millions, which have been kept in Other receivables in financial statements. These expenses had been approved by the shareholders in accordance with the agreements for services entered into by the Company for the purpose of proposed IPO. In the event that the offer is postponed or withdrawn or abandoned for any reason or in the event the Offer is not successfully completed, all the expenses in relation to the Offer shall be borne by company and selling shareholders in accordance to the proportionate basis as above. The proposed public offer of equity shares is not successfully completed and hence the company share of expenses have been written off to the profit and loss account in FY 2022-23 and portion receivable from selling shareholders were received during the FY 2024-25.

During the FY 2023-24, a portion of the loan provided to one of our subsidiary was written off amounting to Rs. 31.75 million due to impairment, resulting in an expense recognized in the financial statements.

8 Other non-current assets

Particulars	As at March 31,2025	As at March 31,2024
Capital advances	33.61	24.81
Total other non-current assets	**33.61**	**24.81**

(All amounts are in Rupees million, unless otherwise stated)

9a Trade receivables

Particulars	As at March 31,2025	As at March 31,2024
Trade receivables from related parties [refer note 30]	-	-
Trade receivables from others	1,312.30	913.48
Less: loss allowance	(311.72)	(212.38)
Less: credit impaired	(15.65)	(15.65)
Total trade receivables	**984.93**	**685.45**
Break-up of security details		
Trade receivables (unsecured)		
Considered good	1,296.65	897.83
Signifcant increase in credit risk	15.65	15.65
Less: expected credit loss allowance	(311.72)	(212.38)
Less: credit impaired	(15.65)	(15.65)
Total trade receivables	**984.93**	**685.45**

*For ageing schedule refer note no: 40

9b Unbilled Receivable

Particulars	As at March 31,2025	As at March 31,2024
Unbilled Revenue	432.22	504.53
Total Unbilled Revenue	**432.22**	**504.53**

10 Cash and cash equivalents

Particulars	As at March 31,2025	As at March 31,2024
Balances with banks	40.48	12.74
Term deposits with maturity with less than 3 months	150.00	-
Total cash and cash equivalents	**190.48**	**12.74**

(All amounts are in Rupees million, unless otherwise stated)

11 Income - tax assets

Particulars	As at March 31,2025	As at March 31,2024
Advance tax and tax deducted at source (net of provision)	-	140.39
Total income - tax assets	**-**	**140.39**

Movement in income-tax assets

Particulars	As at March 31,2025	As at March 31,2024
Opening balance	140.39	230.55
Tax charge during the year	(245.55)	(4.56)
Tax charge in respect to earlier years	-	(4.35)
Demand adjustment against refund	-	(23.60)
Refund of taxes	-	(223.96)
Payment of advance tax/ tax deducted at source during the year	105.17	166.30
Closing balance	**-**	**140.39**

12 Other current assets

Particulars	As at March 31,2025	As at March 31,2024
Prepayments	227.20	118.20
Advances to creditors	24.78	8.81
IPO Expenses	46.12	-
Advances to employees	1.45	1.20
Balances with statutory / government authorities	66.41	50.64
Total other current assets	**365.96**	**178.85**

13 Equity share capital

Particulars	As at March 31,2025	As at March 31,2024
Authorised share capital:		
115,000,000 (FY 2024 : 115,000,000) equity shares of Rs 1 each	115.00	115.00
31,50,000 (FY 2024: 31,50,000) 0.01% compulsory convertible preference shares of Rs 100 each	315.00	315.00
2,00,000 (FY 2024:2,00,000) 16% compulsory convertible preference shares of Rs 100 each	20.00	20.00
10,00,000 (FY 2024: 10,00,000) 0.01% compulsory convertible preference shares of Rs 10 each	10.00	10.00
Total	**460.00**	**460.00**
Issued, subscribed and paid up :		
Equity share capital		
10,04,27,753 (2024: 9,28,94,185)equity shares of Rs 1 each fully paid up	100.43	92.89
Total	**100.43**	**92.89**

(i) Reconciliation of number of equity shares issued

Particulars	As at March 31,2025	As at March 31,2024
Shares outstanding at the beginning of the year	9,28,94,185	9,28,94,185
Add: Fresh issue*	75,33,568	-
Shares outstanding at the end of the year	**10,04,27,753**	**9,28,94,185**

*The Company had issued and allotted 46,34,151 (Forty Six Lakh Thirty Four Thousand and One Hundred Fifty One) equity shares of face value of Rs.1/- (Rupees One only) each fully paid-up (“Equity Shares”) for cash, at an issue price of Rs.164/- (Rupees One Hundred and Sixty Four only) per equity share (which includes a premium of Rs.163/- per equity share), aggregating up to Rs.760 million /- on October 25, 2024.

*The Company had issued and allotted 28,99,417 (Twenty Nine Lakhs, Thirty Nine Thousand Seven Hundred and One) equity shares of face value of Rs.1/- (Rupees One only) each fully paid-up (“Equity Shares”) for cash, at an issue price of Rs.225/- (Rupees Two Hundred and Twenty Five only) per equity share (which includes a premium of Rs.224/- per equity share), aggregating up to Rs.652.37 million /- on January 25, 2025.

(ii) Reconciliation of issued equity share capital

Particulars	As at March 31,2025	As at March 31,2024
Equity share capital at the beginning of the year	92.89	92.89
*Add: Fresh issue	7.53	-
Equity share capital outstanding at the end of the year	**100.43**	**92.89**

(iii) Terms/ rights attached to equity shares

The equity shares referred to as 'Ordinary equity shares' have a par value of Rs. 1 each. All Ordinary equity shares rank equally with regard to dividend and share in the Company’s residual assets. Equity shares are entitled to receive dividend declared from time to time subject to payment of dividend to preference shareholders. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iv) Details of shareholders holding more than 5% equity shares is set out below

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	% holding	No. of shares	% holding	No. of shares
Piyush Somani	24.54%	2,46,48,670	28.91%	2,68,52,696
PO Somani Family Trust	11.19%	1,12,33,739	24.19%	2,24,67,478
Komal Somani	10.13%	1,01,74,322	0.00%	11
Mukul Agrawal	7.00%	70,32,960	0.00%	-
SAGF II Holdings LLC	0.00%	-	10.23%	95,06,036
South Asia Growth Fund II, L.P. (SAGF)	0.00%	-	22.30%	2,07,14,896
GEF ESDS Partners, L.L.C. (GEPL)	0.00%	-	8.16%	75,84,133
Total no of shares		**5,30,89,691**		**8,71,25,250**

(v) Details of shareholding of promoters is set out below

	Shares held by promoters at the end of the year March 31, 2025		Shares held by promoters at the end of the year March 31, 2024		% change during the period
Promoter Name	No. of shares	% of total shares	No. of shares	% of total shares	
Piyush Somani	2,46,48,670	24.54%	2,68,52,696	28.91%	-4.36%
Sarla Somani	3,788	0.00%	18,74,910	2.02%	-2.01%

(vi) Aggregate number of bonus shares issued during the five years immediately preceding the reporting date : Nil

(All amounts are in Rupees million, unless otherwise stated)

14 Other equity

	Particulars	As at March 31,2025	As at March 31,2024
I.	**Reserves and surplus**		
	Retained earnings	1,243.48	560.58
	Securities premium	3,067.44	1,704.10
	Capital redemption reserve	3.58	3.58
	Debenture redemption reserve	-	75.00
	Total reserves and surplus	**4,314.50**	**2,343.27**
(i)	**Retained earnings**		
	Opening balance	560.58	401.64
	Profit for the year	607.57	164.83
	Other comprehensive income	(2.18)	(7.01)
	Add/ (Less) :		
	Transfer to /(from)Debenture redemption reserve	75.00	
	Adjustment of additional depreciation on increase in carrying value due to fair valuation transferd from revaluation reserve	2.50	1.12
	Total retained earnings	**1,243.48**	**560.58**
(ii)	**Securities premium**		
	Opening balance	1,704.10	1,704.10
	Add: Premium on issue of equity shares	1,404.84	-
	Less: Equity cost*	(41.50)	
	Total securites premium	**3,067.44**	**1,704.10**
(iii)	**Capital redemption reserve**		
	Opening balance	3.58	3.58
	Add: Transfer from retained earnings	-	--
	Total capital redemption reserve	**3.58**	**3.58**
(iv)	**Debenture redemption reserve**		
	Opening balance	75.00	75.00
	Add: Transfer (from)/to retained earnings	(75.00)	-
	Total Debenture redemption reserve	**-**	**75.00**
III.	**Other reserves**		
(i)	**Revaluation reserve**		
	Opening balance	1 00.89	63.04
	Add: revaluation of land and building	-	38.97
	Less: adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	(2.50)	(1.12)
	Total revaluation reserve	**98.39**	**100.89**
(ii)	**Share based payment reserve**		
	Opening balance	16.07	10.89
	Expense recognized for the year	2.25	5.18
	Total share based payment reserve	**18.32**	**16.07**
	Total other reserves	**116.71**	**116.95**
	Total equity	**4,431.21**	**2,460.22**

* During the financial year, the Company raised Rs. 1,412.37 million by way of private placement of equity shares. Expenses directly attributable to the issue of shares, amounting to Rs. 41.50 million, were incurred on legal, professional, and regulatory services. In accordance with the principles laid down in Ind AS 32 – Financial Instruments: Presentation, these share issue expenses have been adjusted against the Securities Premium Account, as they are directly attributable to the issuance of new equity instruments. No part of these expenses has been charged to the Statement of Profit and Loss.

II) Nature and purpose of reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

b) Capital Redemption Reserve

Capital Redemption reserve is created on account of redemption of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013.

c)Debenture Redemption Reserve

Debenture redemption reserve have been created at 10% of the value of the outstanding non-convertible debentures.Company needs to invest/deposit into Debenture Redemption Fund Investment account at 15% of the amount to be redeemed if any in next financial year.

d) Revaluation Reserve

Revaluation reserve have been created on account of revaluation of land and building, adjusted with additional depreciaiton and taxes on the same.

e) Share based payment reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option

(All amounts are in Rupees million, unless otherwise stated)

15 Financial Liabilities

15.a Non current borrowings

Particulars	As at March 31,2025	As at March 31, 2024
Secured Non-Convertible Debentures		
750 Non Convertible Debentures (FV=10,00,000 each)**	-	750.00
Add:Accured amount	-	56.61
Secured:		
Term Loans		
From banks	69.29	192.00
From financial institutions	504.17	17.16
Vehicle loans from banks	-	16.67
Total	**573.46**	**1,032.44**
Less : Current maturities of non-current borrowings	(167.49)	(184.72)
Total non - current borrowings	**405.97**	**847.73**

**Company have issued 750 Unlisted,secured,reedmable, Non Convertible Debentures (NCDs) having face value of 10,00,000 each to Piramal Structred Credit Opportunites Fund in October 2022 till the final redemption date i.e the date which is 84 months from the effective date or the date on which all the Debenture secured obligation are fully paid. Coupon shall be 10% per annum compounded and payable monthly on and from the closing date untill the debenture final settlement date.The company have agreed to meet the investor return which shall be equivalent to 15.5% p.a for the first two years and 15% thereafter untill the debenture final settlement date. (refer footnote 17 for security details)
Accured amount shall mean the difference between Investor return and coupon paid for initial period of 24 months from the closing date.
However as at the sigining of balance sheet, such Non-convertible debtenures are paid in full.

15.b Current borrowings

Particulars	As at March 31,2025	As at March 31, 2024
Secured:		
Demand loans from banks	53.67	121.95
Current maturities of long term borrowings	167.49	184.72
Total current borrowings	**221.16**	**306.67**

16 Other current financial liabilities

Particulars	As at March 31,2025	As at March 31, 2024
Current		
Capital creditors**	366.16	14.63
Interest accrued but not due on borrowings	-	0.22
Accrued employee liabilities		
Others	14.98	74.63
Other payables	11.80	11.71
Total current other financial liabilities	**392.94**	**101.20**

** Capital Creditors are generally of current in nature, but are considered to be non current wherever the company has unconditional right to defer the payment beyond 12 months from the reporting date.

17 Employee benefit obligations

Particulars	As at March 31,2025	As at March 31, 2024
Non-current		
Gratuity [refer note:31]	93.07	75.39
Compensated absences	48.03	44.80
Total non -current obligations	**141.10**	**120.19**
Current		
Gratuity [refer note:31]	2.00	1.64
Compensated absences	1.57	1.49
Total current obligations	**3.56**	**3.13**

Gratuity
The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. 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 a non-funded plan and the Company makes gratuity payments to employees.

(All amounts are in Rupees million, unless otherwise stated)

18 Trade payables

Particulars	As at March 31,2025	As at March 31, 2024
Trade payables		
-Total outstanding dues to Micro, small and Medium enterprises (refer note 36)	26.50	5.72
-Others**	201.28	196.01
Provision for expenses	55.32	25.22
Total trade payables	**283.09**	**226.95**

*Refer note no 40 for ageing schedule

** Out of Rs. 201.28 million (FY 2023-24 Rs.196.01 million), Rs. 25.68 million (FY 2023-24 Rs.40.68 million) are disputed.

Disclosure persuant to Micro, Small & Medium Enterprises Development Act, 2006 for dues to micro, small & medium enterprises is as under

Sr.No.	Details of dues to micro and small enterprises as defined under the MSMED Act, 2006	March 31,2025	March 31, 2024
1	Principal amount due to suppliers registered per the MSMED Act and remaining unpaid as at year end	26.50	5.72
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.06	0.05
3	Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
4	Amount of interest due and payable for the period of delay in making payments but without adding interest specified under MSMED Act, 2006	-	-
5	The amount of interest accrued and remaining unpaid at the end of year	0.06	0.05
6	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-

19 Other current liabilities

Particulars	As at March 31,2025	As at March 31, 2024
Statutory liabilities	43.44	61.86
Income Tax Provision (Net of Advance tax)	25.00	-
Advance from customers	7.35	4.28
Unearned revenue	91.80	41.24
Unpaid dividend on Preferences Shares	0.04	0.04
Total other current liabilities	**167.64**	**107.43**

ESDS Software Solution Limited
Notes Forming Part of Separate Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees million, unless otherwise stated)

Footnotes to note 15

As at March 31, 2025

Sr. No	Name of the bank	Type of Facility	O/s amount as period ended	Residual repayment term	Interest Rate (per annum)	Security
1	Axis Bank Ltd.	Term Loans	69.29	2 years	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 Million 3.Exclusive charge on FD of Rs. 10 Million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
2	Axis Bank Ltd.	Cash Credit	53.67	On Demand	11.25%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 Million 3.Exclusive charge on FD of Rs. 10 Million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
3	Aditya Birla Finance Limited	Term Loans	504.17	5 years	10.25%	Primary Security: 1.1st Pari passu charge by way of mortgage (if any) on all immovable fixed assets (present and future) of the Borrower (except for the land and building at Nashik and except for any future asset financed and secured exclusively by any particular lender), among all term lenders proportionately. 2. 1st Pari passu charge over all movable fixed assets (present and future) of the Borrower including all patented technology and products, proportionate to outstanding amount among all term lenders proportionately. 3. Cash Flow equivalent to Rs.2.5 Crores per month to be routed through designated account in favour of ABFL & to be maintained throughout Facility tenor. 4. 2nd Pari passu charge over entire current assets, book debts, receivables and cash flows, present and future, of the Borrower. 5. Personal Guarantees of Mr. Piyush Somani & Ms. Komal Somani. PG of Ms. Komal Somani shall be released upon submission of audited financial statement of the Borrower wherein the Borrower has achieved an EBIDTA of Rs.120 Crores in any fiscal year. 6. 3 months' (Principal + Interest) DSRA to be lien marked in favour of ABFL. 7. NACH and PDCs.
	Total		**627.12**			

As at March 31, 2024

Sr. No	Name of the bank	Type of Facility	O/s amount as period ended	Residual repayment term	Interest Rate	Security
1	Axis Bank Ltd.	Term Loans	158.25	upto 3 years	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 million 3.Exclusive charge on FD of Rs. 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
2	Axis Bank Ltd.	Open Cash Credit	-	On demand	8.75%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. Personal Guarantee of the Piyush Somani & Sarla Somani
3	Axis Bank Ltd.	Overdraft against fixed deposit	50.31	On demand	7.50%	Primary: First and exclusive charge on the fixed deposit . Lien on Fixed Deposits of Rs 50 million
4	State Bank of India	Overdraft against fixed deposit	66.03	On demand	7.70%	Primary: First and exclusive charge on the fixed deposit . Lien on Fixed Deposits of Rs 75 million
5	Clix Finance India Private Limited	Equipment Loan	-	-	12.50%	Primary: First and exclusive charge on the equipment financed by the lender. Lien on Fixed Deposits of Rs 2.97 million
6	SIDBI*	RLOC (Long Term Loans)	1.98	upto 8 months	10.60%	**Primary** – 1st charge by way of hypothecation on all the movables of the borrower including P&M, equipment, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures, misc. fixed assets etc. **Collateral** – 1st charge in favours of SIDBI on cash flows generated from orders to be routed through designated escrow account 1st charge in favours of SIDBI on Debt Service Reserve in form of FD to the extent of 5% of the assistance disbursed may be generally kept for meeting debt service during temporary instances of liquidity tightness. Extension of 1st charge by way hypothecation in favour of SIDBI on all movables including movable machinery, machinery spares, tools and accessories required under the previous financial assistance sanctioned to the company by SIDBI 1st charge on escrow account with minimum balance of at least 3 month's debt servicing obligations to be retained. The amount will be used as first loss guarantee and SIDBI at its discretion, would set off over dues (if any) in respect of Interest/principal/FI/PI remaining unpaid POA in favour of SIDBI for creation of residual charge in favour of SIDBI by way of mortgage on its office land & building situated at Plot No. B-24/25, Nice Industrial Area, MIDC, Satpur, Nashik – 422007.
7	Tata Capital Financial Services	Equipment Loan	15.18	upto 8 months	Ranging from 10.25% to 12.55%	Primary: Plant and Machinery purchased out of Term Loan Lien on Fixed Deposits of Rs 7.01 million
8	Piramal Structured Credit Opportunities Fund	Non-Convertible Debtenures (including accured amount for IRR thereof)	806.61	5 years 9 months	Coupoun rate 10% p.a , IRR equivalent to 15.5% p.a for first 2 years and 15% there after	The Debenture Secured Obligations, in respect of the Debentures and the performance by the Issuer of its obligations in relation thereto, shall be secured by creation and perfection of the Security Interest in favour of the Debenture Trustee for the benefit of the Debenture Holders, in the following manner: 1. Second charge over all the immovable assets (present & future) of the Issuer 2. Second charge over all movable fixed assets (present & future) of the Issuer; 3. Second charge over all present and future movable assets of the Issuer (present and future); 4. Second charge over all current assets (present & future) of the Issuer; 5. Second charge on the cash flows of the Issuer, both present and future; and 6. Second charge over all the patented technology and patented products of the Issuer; and 7. Personal Guarantee of the Piyush Somani & Sarla Somani
9	Kotak Mahindra Prime Limited	Vehicle Loan	2.82	1 Year 8 months	9.19%	Primary: Vehicle Purchased out of Loan
10	ICICI Bank Limited	Vehicle Loan	1.03	8 months	8.25%	Primary: Vehicle Purchased out of Loan
11	Indusind Bank Limited	Term Loans	33.75	2 years 6 months	9.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI. Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
10	Indusind Bank Limited	Open Cash Credit	5.61	On demand	8.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI. Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
12	HDFC Bank Ltd	Vehicle Loan	1.84	36 months	8.30%	Primary: Vehicle Purchased out of Loan
13	ICICI Bank Limited	Vehicle Loan	10.97	Upto 60 months	9.10 to 9.15%	Primary: Vehicle Purchased out of Loan
	Total		**1,154.40**			

(All amounts are in Rupees million, unless otherwise stated)

20 Income tax expense

Particulars	As at March 31,2025	As at March 31, 2024
Current tax		
Pertaining to profit for the current year	245.55	4.56
MAT credit entitlement	(73.92)	-
Deferred tax	92.95	76.31
Prior year tax	-	4.35
Income tax expense	**264.58**	**85.22**
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	872.15	250.04
Tax at the Indian tax rate of 27.82% (2023-24 - 27.82%)	242.63	69.56
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Disallowance under sec 14a	-	-
Corporate social responsibility expenditure not allowed under taxation and donation	0.25	0.09
Other comprehensive Income	0.84	2.70
Business loss set off	53.84	-
Others	(32.98)	12.87
Total	**21.95**	**15.65**
Net current tax expenses recognised in statement of profit & loss	**264.58**	**85.22**

21 Deferred Tax (Net)

(a) Income tax expense

Particulars	As at March 31,2025	As at March 31, 2024
Net Deferred tax (assets)/liabilities**	**119.96**	**65.36**
Deferred tax assets/liabilities arise from the following:		
Tax credits available:		
MAT credit receivable	**25.16**	**62.04**
Deferred tax assets		
Gratuity & compensated absences	42.50	37.76
Provision for doubtful debts, doubtful deposits and capital advance	91.07	63.44
Provision for Interest payable	-	-
Lease liabilities	178.13	305.36
Income tax business loss setoff	-	61.02
	336.86	**529.61**
Deferred tax liability		
PP&E depreciation and intangible amortization	272.54	319.87
Right of use of assets	184.29	275.11
Others (revaluation of land)	-	-
Security Deposit under leases	-	-
	456.82	**594.98**

**Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax (assets)/ liabilities:	As at March 31,2025	As at March 31, 2024
Opening deferred tax (assets) / liabilities	**65.36**	**(8.88)**
Mat credit entitlement	36.88	-
Gratuity & compensated absences	(4.74)	(13.03)
Provision for doubtful debts, doubtful deposits and capital advance	(27.64)	(17.28)
Disallowances under sec 40(a) of the Income Tax Act 1961	-	-
Lease liabilities	127.23	(109.53)
Right of use of assets	(90.82)	44.09
Income tax business loss setoff	61.02	93.43
PP&E depreciation and intangible amortization	(47.34)	76.56
Others		
Closing deferred tax liability after set off	**119.96**	**65.36**

(All amounts are in Rupees million, unless otherwise stated)

22 Revenue from operations

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Sale of services		
Cloud hosting and managed services	3,574.28	2,813.68
Total revenue from operations	**3,574.28**	**2,813.68**

A. Reconciliation of revenue recognised with contract price

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Contract price		
Adjustments for:	3,233.87	2,350.38
Unbilled revenue	432.22	504.53
Unearned revenue	(91.80)	(41.24)
Revenue from continuing operation	**3,574.28**	**2,813.68**

23 Other income

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Interest :		
Deposits with banks	39.28	34.52
Income tax refund	6.28	11.96
from subsidiaries	2.25	-
Other non-operating income	4.98	5.16
Unwinding of discount on security deposits	0.72	2.16
Cessation of lease liabilities	104.93	-
Profit on sale of assets	0.78	0.09
Amount Written Back	1.82	2.48
Total other income	**161.05**	**56.38**

24 Employee benefit expense

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Salaries, wages and bonus	841.04	756.75
Contribution to provident and other funds	26.38	26.22
Gratuity [refer note:31]	24.67	20.13
Compensated absences	13.18	12.66
Employee stock option scheme	2.25	5.18
Other employee related costs	29.85	20.27
Total employee benefit expense	**937.37**	**841.21**

25 Finance costs

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Interest expense:		
Borrowings	125.92	176.43
Lease liabilites	81.65	86.13
MSME	0.06	0.05
Bank charges	6.84	5.28
Other borrowing costs	4.17	3.59
Total finance costs	**218.63**	**271.48**

26 Depreciation and amortization expense

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Depreciation of property, plant and equipment	463.91	329.34
Amortisation of intangible assets	20.50	30.94
Amortisation of right-of-use asset	123.02	134.12
Total depreciation and amortization expense	**607.43**	**494.40**

(All amounts are in Rupees million, unless otherwise stated)

27 Other expenses

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Contract fulfillment costs	16.87	123.79
Project servicing cost	190.43	160.48
Rental charges	8.97	9.55
Office expenses	7.01	4.61
Travel and conveyance	40.23	30.51
Communication expenses	90.38	86.35
Contract labour charges	30.19	56.55
Corporate social responsibility expenditure [Refer note no:38]	0.91	0.32
Rates and taxes	3.76	4.29
Directors sitting fees	3.54	2.24
Legal and professional charges	91.48	54.13
Commission/Brokerage	23.52	20.33
Insurance	14.19	13.81
Advertisement and sales promotion	35.80	21.55
Power and fuel charges	197.43	137.69
Repairs and maintenance:		
Computers	0.35	0.95
Others	13.31	12.30
Membership and subscription charges	206.80	164.22
Expected credit loss allowance [refer note no : 40]	99.27	55.29
Foreign exchange fluctuation loss (net)	9.03	0.87
Payment to auditors [refer note below]	3.23	2.35
Balances written off	-	32.23
Miscellaneous expenses	11.63	7.79
Total other expenses	**1,098.34**	**1,002.19**

Payment to auditors

Particulars	Year ended March 31,2025	Year ended March 31, 2024
For Auditor		
Statutory audit	2.80	1.80
Tax audit fee	0.23	0.30
Transfer pricing audit fees	0.20	0.25
Total payment to auditors	**3.23**	**2.35**

(All amounts are in Rupees million, unless otherwise stated)

28 Earnings per share

(a) Earnings per share

Particulars	Year ended March 31,2025	Year ended March 31, 2024
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company	607.57	164.83
Weighted average number of equity shares	9,53,68,874	9,28,94,185
Basic earnings per share	**6.37**	**1.77**
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company	607.57	164.83
Weighted average number of equity shares	9,53,68,874	9,28,94,185
Diluted earnings per share	**6.37**	**1.77**

(b) Profit reconciliation

Particulars	Year ended March 31,2025	Year ended March 31, 2024
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company used in calculating basic earnings per share	607.57	164.83
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company used in calculating basic earnings per share:	607.57	164.83
Profit attributable to equity shareholders of the Company used in calculating diluted earnings per share	**607.57**	**164.83**

(c) Weighted average number of shares used as denominator

Particulars	Year ended March 31,2025	Year ended March 31, 2024
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**9,53,68,874**	**9,28,94,185**
Weighted average number of equity shares and potential shares used as the denominator in calculating diluted earnings per share	**9,53,68,874**	**9,28,94,185**

(All amounts are in Rupees million, unless otherwise stated)

29 Contingencies and commitments

i) Capital commitments

Particulars	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances)	296.20	6.38

ii) Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2025	March 31, 2024
Claims against the company not acknowledged as debts		
Indirect tax matters	-	19.36
Other matters [Refer iii (b)]	2.62	2.62
Guarantees excluding financial guarantees		
Perfomance Bank guarantees given to customers	472.27	420.21
Other money for which the company is contingently liable		
Direct tax matters [Refer i (a)]	-	-
Indirect tax matters [Refer ii (g)]	10.09	127.23
Total	**484.98**	**569.42**

i) **Direct Tax Related Matters**

a) The company has received show cause notice for late payment/ short payment of TDS for Assessment Year (AY) 2017-18 to AY 2022-23. Also, being principal officer of the company at the time of default, prosecution proceedings u/s 276B of Income Tax Act, 1961 initiated against the directors of the comapny. The Company have received the final order u/s 279(2) of Income Tax Act,1961 on acceptance of such compounding and closure of the notice. Company had paid Rs 6.06 million in April, 2025 against this order.

ii) **Indirect Tax Related Matters**

a) In September 2022, company has received a intimation of liability under section 73(5) in Form GST DRC-01A of Rs. 72.56 million for FY 2017-18 pursuant to investigation carried by JCST(Nashik Division) on January 19, 2020.However company have received the final order for Rs. 32.76 million on July 07, 2023. Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.16.99 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 4.41 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

b) The Company has received notices under section 73(9) of SGST Act, 2017 dated November 10, 2022, where the company has wrongly availed Input Tax Credit is excess of the tax charged and paid to the Government on inward supplies effected, as reflected in auto-populated FORM-GSTR-2A for FY-17-18 amounting to total demand of Rs. 2.26 million (Basic Tax liability of Rs. 1.11 million, Interest of Rs. 1.02 million and Penalty of Rs. 0.13 million). Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.0.06 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 0.04 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

c) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2020 communicated by JCST (Nashik Division, Nashik). GST department have visited the place of buisiness of ESDS on January 19, 2020 have taken many records and statements along with them,basis there finding they have issued a notice for various different tax concerns. On January 25, 2024 company has received the final demand notice of Rs.11.56 million for FY 2018-2019. Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.9.32 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 9.22 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

d) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2021. Total Demand of Rs. 18.61 million (Interest Rs. 14.89 million and Penalty of Rs, 3.72 million) in the matter of purchases made from Infotech Systems & Technologies for FY-2019-20 for incorrect availment of input tax credit.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the similar cases.

e) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2021. Total Demand of Rs. 1.80 million (Interest Rs. 1.27 million and Penalty Rs. 0.53 million), in the matter of purchases made from Infotech Systems & Technologies for FY-2020-21.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the smiliar cases.

f) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2021. Total Demand of Rs. 2.59 million (GST Tax Rs. 0.55 million, Interest Rs. 1.10 million and Penalty Rs. 0.91 million), in the matter of purchases made from Neptune Traders for FY-2020-21.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the similar cases.

g) The company received the ADT-01 for FY 2020-21 and submitted the required responses to the officer time to time and final order against this Audit received on February 23, 2025 amounting to Rs.46.88 million. Against this order company filed an appeal and received the appeal order on July 31,2025 directing the company to pay Rs.10.09 million. The company is assesing the case for further appeal.

h) The audit proceedings u/s 65 (6) of MGST act were initiated. Notice in form GST ADT-01 dated January 13, 2023 were received to furnish the required books of account and recrods for the period of FY-2019-20. Company have received the final demand order on August 8, 2024 amounting to Rs. 82.91 million. Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.36.81 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 27.55 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

iii) **Other Matters**

a) In 2022, Mr Rajeev Papneja an ex-employee of the company has filed the petition in Bombay high court alleging that an oral contract was agreed with the company for issuance of certain number of shares under ESOP owing to services rendered by him to the company, claim amounting to Rs. 184.80 million. The company has filed an application before the bombay high court challenging its jurisdiction to adjudicate the matter.
The company does not foresee any probable outflow in the matter and accordingly has not specifically disclosed the quantum under contingent liability.

b) In Feb 2022, Company has received a legal notice from Sara Infoway ITES India for non-payment of outstanding dues of Rs. 15.38 million (including interest @ 18% p.a. of Rs 2.34 million/-). Additionally, an amount of Rs. 0.30 million /- is being sought as advocate fee for serving the legal notice.
As per books of accounts of the Company, outstanding dues of Rs. 13.06 million are being reflected. As of now, the company is carefully reviewing the vendor's claims and assessing its legal obligations in this matter. The company is actively exploring options for resolving the dispute, which may include negotiations, seeking legal advice, or pursuing a settlement to mitigate any financial impact.

(All amounts are in Rupees million, unless otherwise stated)

30 Related party transactions

Related Party	Relation
Para 9(a)(ii): Individuals having Significant influence over Reporting Entity(RE)	
Piyush Somani	Chairman and Managing Director
Relatives of such individuals:	
Pooja Somani	Sister of Chairman and Managing Director
Prajakta Somani Jadhav	Sister of Chairman and Managing Director
Sarla Somani	Mother of Chairman and Managing Director
Para 9(a)(iii): Individuals who are KMP of RE or KMP of Parent of RE	
Piyush Somani	Chairman and Managing Director
Komal Somani	Whole Time Director (w.e.f July 28, 2021)
Alipt Sharma (on behalf of GECC)	Nominee Director (from June 4, 2018; till February 4, 2025)
Nadukuru Sita Ramiah	Chief Financial Officer (From October 31, 2022)
T.G. Dhandapani	Independent Director (from July 28,2021)
Venkatesh Natrajan	Independent Director (from July 01,2023)
Pamela Kumar	Independent Director (from July 27,2021)
Prasad Deokar	Compliance Officer and Company Secretary (From July 13, 2022)
Jitendra Pathak	Additional Director (w.e.f. Feb 4, 2025)
Para 9(b)(i): Entities that are parent, subsidiary, fellow subsidiary of RE	
ESDS Internet Services Private Limited	Subsidiary Company (50% holding of ESDS Software Solution Ltd) (Ceased to be subidiary from August 29, 2024)
ESDS Global Software Solution Inc.	Wholly owned Subsidiary Company
ESDS Cloud FZ LLC	Wholly owned Subsidiary Company
Spochub Solutions Private limited	Wholly owned Subsidiary Company
Para 9(b)(vi):Individual RP as per Para 9a has control/JC over another entity	
Great Ideas in Action LLP	Komal Somani: Designated partner
Resvera Wines Limited	Komal Somani: Director
Para 9(b)(vii): Individual RP as per Para 9a has significant influence over other entity	
Hyperslice Limited	Piyush Somani - Shareholder
Bod Host Limited	Piyush Somani - Shareholder

(All amounts are in Rupees million, unless otherwise stated)

30 Related party transactions

Disclosure Of Transactions Between The Company And Related Parties And The Status Of Outstanding Balances As At March 31, 2025

Nature of transactions	Transaction For the period	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024
A) Salaries and allowances		
i) KMP		
Prasad Deokar	1.40	1.12
Nadukuru Sita Ramiah	7.14	6.37
Jitendra Pathak	9.79	-
ii) Relatives of KMP		
Prajakta Somani Jadhav	2.50	2.33
Pooja Somani	1.14	0.15
B) Director remuneration		
Komal Somani	5.43	4.57
Piyush Somani	10.78	8.38
C) Loan given/(recovered)-net		
i) Subsidiary		
ESDS Cloud FZ LLC	399.50	-
D) Operating and other expenses		
i) Subsidiary		
ESDS Internet Services Private Limited	43.31	109.10
ii) Individuals having control over another entity		
Great Ideas in Action LLP	-	-
E) Director sitting fees		
T.G. Dhandapani	1.37	0.76
Pamela Kumar	0.95	0.74
Venkatesh Natrajan	1.23	0.51
F) Professional Fees		
T.G. Dhandapani	0.12	-
Venkatesh Natrajan	0.12	-
G) Interest income		
i) Subsidiary		
ESDS Cloud FZ LLC	2.25	-
H) Rental income		
i) Subsidiary		
ESDS Internet Services Private Limited	0.06	0.13
I) Security deposit paid		
i) Subsidiary		
ESDS Internet Services Private Limited	-	1.05
J) Investment in Subsidiary		
Investment in Subsidiary (ESDS Cloud FZ LLC)	385.99	
Shares not issued yet (56 shares)		-
Total	**873.08**	**135.21**

II Outstanding receivable/(payable) balances

Nature of transactions	Outstanding Balances for period ended	
	As at March 31, 2025	As at March 31, 2024
A) Payables towards salary / managerial remuneration		
i) KMP		
Piyush Somani	-	0.64
Komal Somani	-	0.34
Prasad Deokar	-	0.11
Nadukuru Sita Ramiah	-	0.73
Jitendra Pathak	-	-
ii) Relatives of KMP		
Prajakta Somani Jadhav	-	0.35
Pooja Somani	-	0.10
B) Director Sitting Fees Payable		
T.G. Dhandapani	0.32	-
Pamela Kumar	0.28	-
Venkatesh Natrajan	0.32	-
C) Loans and advances		
i) Subsidiary		
ESDS Internet Services Private Limited	NA*	-
ESDS Global Software Solution Inc	2.89	2.89
ESDS Cloud FZ LLC	393.18	-
D) Receivables		
i) Subsidiary		
ESDS Internet Services Private Limited	NA*	-
E) Security deposits		
i) Subsidiary		
ESDS Internet Services Private Limited	NA*	16.14
F) Payables		
i) Individuals having control over another entity		
Great Ideas in Action LLP	0.63	0.63
Total	**397.63**	**21.93**

*ESDS Internet Services Private Limited ceased to be subsidiary as on August 29, 2024.
**Prasad Deodar and Jitendra Pathak who are KMPs were granted 30,000 and 50,000 Emplyee Stock Options under the Employee Stock Option Scheme, 2024

III Compensation to KMP

Particulars	Transaction For the period	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Short term employee benefits*	34.54	20.44

*Represents contribution to provident and superannuation funds. As Gratuity expense is based on actuarial valuations, the same cannot be computed for individual employees and hence not included.

IV Terms and conditions for outstanding balances - All outstanding balances are unsecured and payable in cash.

(All amounts are in Rupees million, unless otherwise stated)

31 Employee benefit obligations

A. Defined contribution plans :

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company has no obligation other than to make the specified contribution. The contribution is charged to Statement of Profit and Loss as it accrues. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to Rs.26.14 million (FY 2024: 25.98 million) and other funds to Rs.0.24 million (FY 2024: 0.24 million).

Contribution to Defined Contribution Plans recognised as expense for the period ended are as under:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employers contribution to provident and other funds	26.38	26.22
Total	**26.38**	**26.22**

B Defined benefit plan

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. 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 completed years of service. The gratuity plan is a non-funded plan and the Company makes gratuity payments to employees.

(a)

Movements in the present value of the defined obligation are as follows:	Year ended March 31, 2025	Year ended March 31, 2024
Obligation at the beginning of the year	**77.03**	**53.20**
Transfer In / (out)		
Past Service Cost		
Current service cost	19.47	16.35
Interest expense	5.20	3.78
Curtailment Cost/(Credit)		
Settlement Cost/(Credit)		
Actuarial losses (gains) arising from change in financial assumptions	4.63	2.19
Benefits paid	(9.65)	(6.00)
Actuarial losses (gains) arising from experience adjustments	(1.61)	7.52
Liability at the end of the year	**95.07**	**77.03**

(b)

Change in fair value of plan assets	Year ended March 31, 2025	Year ended March 31, 2024
Fair value of plan assets at the beginning of the year	**-**	**-**
Interest income	-	-
Transfer In / (Out)	-	-
Benefits paid	-	-
Expected Return on plan assets	-	-
Contributions	-	-
Morality Charges and Taxes	-	-
Actuarial Gain / (Loss) on Plan Assets	-	-
Fair value of plan assets at the end of the year	-	-

(c)

The net liability disclosed above relates to funded and unfunded plans are as follows:	As at March 31, 2025	As at March 31, 2024
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Deficit of funded plans	**-**	**-**
Unfunded plans	95.07	77.03
Deficit of Gratuity Plan	**95.07**	**77.03**

(d) **Expenses recognized in the Statement of Profit and Loss under employee benefit expenses.**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Service cost	19.47	16.35
Net interest (income)/expense	5.20	3.78
Past Service Cost	-	-
Expected return on plan assets	-	-
Settlement cost/(credit)	-	-
Transfer In/(Out)	-	-
Net actuarial (Gain)/loss recognised in the year	-	-
Net gratuity cost	**24.67**	**20.13**

(e) **Expenses recognized in statement of other comprehensive income:**

Remeasurement	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurement for the year - obligation (Gain)/Loss	3.02	9.71
Return on plan assets excluding amount included in net interest on net defined liability/(asset) above	-	-
(Return) / loss on plan assets excluding amounts recognised in interest (income)/expenses	-	-
(Gain)/loss from change in demographic assumptions	-	-
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**3.02**	**9.71**

(f) **Significant estimates: actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:	Year ended March 31, 2025	Year ended March 31, 2024
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	6.75%	7.10%
Rate of growth in compensation level	7.00%	7.00%
Expected average remaining working lives of employees (in years)	60 years	60 years
Attrition rate	5% to 1%	5% to 1%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	Defined benefit obligation	
	As at March 31, 2025	As at March 31, 2024
(i) 1% increase in discount rate	82.63	66.88
(ii) 1% decrease in discount rate	110.18	89.38
(iii) 1% increase in rate of salary escalation	109.98	89.26
(iv) 1% decrease in rate of salary escalation	82.55	66.78
(v) 1% increase in rate of withdrawal	94.76	77.13
(iv) 1% decrease in rate of withdrawal	95.41	76.91

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to the defined benefits plan in future year:

Particulars	March 31, 2025	March 31, 2024
Year 1	2.00	1.64
Year 2	3.10	2.64
Year 3	3.25	2.55
Year 4	2.88	2.62
Year 5	3.65	2.43
Year 6 to 10	12.68	8.14

Liability Risks

Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. 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 increasing risk.

Asset Risks

The Group does not have any investment in plan assets, as the gratuity plan is a non funded plan. In case of any liability arises on account of gratuity, the group will pay off the amount from the available sources of funds.

The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

(All amounts are in Rupees million, unless otherwise stated)

32 Fair value measurements

Financial instruments by category

Particulars	March 31, 2025		March 31, 2024	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Non- current financial assets				
Investments in subsidiaries	-	386.46	-	0.56
Investments in Mutual Funds	42.76	-	-	-
Term deposits with maturity more than 12 months from reporting date including interest	-	85.70	-	56.22
Security deposits	-	33.28	-	35.22
Other receivables (TDS reimbursements)	-	3.23		5.75
Current financial assets				
Trade receivables	-	984.93	-	685.45
Term deposits with maturity of less than 12 months from reporting date including interest	-	366.61	-	506.44
Cash and cash equivalents	-	190.48	-	12.74
Other bank balances	-	-	-	-
Unbilled revenue	-	432.22	-	504.53
Other current financial assets				
Security deposits	-	60.76	-	41.40
Loan to subsidiaries	-	396.07	-	2.89
Other loans and advances	-	0.20	-	0.20
Other receivables	-	-	-	25.62
Total financial assets	**42.76**	**2,939.94**	**-**	**1,877.03**
Financial liabilities				
Non-current financial liabilities				
Non-current borrowings	-	405.97	-	847.73
Lease liabilities	-	499.89	-	933.12
Other non-current financial liabilities				
Capital creditors	-	-	-	-
Current financial liabilities				
Current borrowings	-	221.16	-	306.67
Lease liabilities	-	140.40	-	164.49
Trade payables	-	283.09	-	226.95
Other current financial liabilities				
Capital creditors	-	366.16	-	14.63
Interest accrued but not due on borrowings	-	-	-	0.22
Accrued employee liabilities	-	14.98	-	74.63
Other Payables	-	11.80	-	11.71
Total financial liabilities	**-**	**1,943.45**	**-**	**2,580.16**

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.
The fair value of the financial assets and liabilities is 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 management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(All amounts are in Rupees million, unless otherwise stated)

As at March 31 , 2025

	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at Fair value through Profit or Loss				
i) Investment in Mutual Fund	42.76	-	-	**42.76**
Measured at amortised cost				
Investments in subsidiaries			386.46	**386.46**
Term deposits with maturity more than 12 months from reporting date including interest	-	-	85.70	**85.70**
Security deposits	-	-	33.28	**33.28**
Other receivables (TDS reimbursements)	-	-	3.23	**3.23**
Current financial assets				
Trade receivables	-	-	984.93	**984.93**
Term deposits with maturity of less than 12 months from reporting date including interest			366.61	**366.61**
Cash and cash equivalents	-	-	190.48	**190.48**
Other bank balances	-	-	-	**-**
Unbilled revenue	-	-	432.22	**432.22**
Other current financial assets				
Security deposits	-	-	60.76	**60.76**
Loan to subsidiaries	-	-	396.07	**396.07**
Other loans and advances	-	-	0.20	**0.20**
Other receivables	-	-	-	**-**
Total financial assets	**42.76**	**-**	**2,939.94**	**2,982.70**
Financial liabilities				
Measured at amortised cost				
Non-current financial liabilities				
Non-current borrowings	-	-	405.97	**405.97**
Lease liabilities	-	-	499.89	**499.89**
Other non-current financial liabilities				
Capital creditors	-	-	-	**-**
Debt component of compound financial instruments	-	**-**		**-**
Current financial liabilities				
Current borrowings	-	-	221.16	**221.16**
Lease liabilities	-	-	140.40	**140.40**
Trade payables	-	-	283.09	**283.09**
Other current financial liabilities				
Capital creditors	-	-	366.16	**366.16**
Interest accrued but not due on borrowings	-	-	-	**-**
Accrued employee liabilities	-	-	14.98	**14.98**
Other Payables	-	-	11.80	**11.80**
Total financial liabilities	**-**	**-**	**1,943.45**	**1,943.45**

As at March 31 , 2024

	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at amortised cost				
Investments in subsidiaries			0.56	0.56
Term deposits with maturity more than 12 months from reporting date including interest	-	-	56.22	56.22
Security deposits	-	-	35.22	35.22
Other receivables (TDS reimbursements)	-	-	5.75	5.75
Current financial assets	-	-	-	-
Current financial assets				
Trade receivables	-	-	685.45	685.45
Term deposits with maturity more than 12 months from reporting date including interest			506.44	506.44
Cash and cash equivalents	-	-	12.74	12.74
Other bank balances	-	-	-	-
Unbilled revenue	-	-	504.53	504.53
Other current financial assets				
Security deposits	-	-	41.40	41.40
Loan to subsidiaries	-	-	2.89	2.89
Other loans and advances	-	-	0.20	0.20
Other receivables	-	-	25.62	25.62
Total financial assets	**-**	**-**	**1,877.03**	**1,877.03**
Financial liabilities				
Measured at amortised cost				
Non-current financial liabilities				
Non-current borrowings	-	-	847.73	847.73
Lease liabilities	-	-	933.12	933.12
Other non-current financial liabilities				
Capital creditors	-	-	-	-
Debt component of compound financial instruments	-	-		-
Current financial liabilities				-
Current borrowings	-	-	306.67	306.67
Lease liabilities	-	-	164.49	164.49
Trade payables	-	-	226.95	226.95
Unearned revenue	-	-	-	-
Other current financial liabilities				
Capital creditors	-	-	14.63	14.63
Interest accrued but not due on borrowings	-	-	0.22	0.22
Accrued employee liabilities	-	-	74.63	74.63
Other Payables	-	-	11.71	11.71
Total financial liabilities	**-**	**-**	**2,580.16**	**2,580.16**

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty. The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short – term nature.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. The sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities does not have a significant impact on their value. There were no transfers between Level 1, Level 2 and Level 3 during the year.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
All of the resulting fair value estimates are included in Level 2 except for unlisted preference shares where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

iii) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

(All amounts are in Rupees million, unless otherwise stated)

33 Financial risk management

The Company's principal financial liabilities comprises of borrowings, lease liabilities , trade and other payables (including capital creditors). The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans given, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to the following risks from the use of financial instruments:
(a)credit risk,
(b) liquidity risk, and
(c) market risk,
(i)foreign currency exchange risk, and
(ii) interest rate risk.

The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

(a) Credit Risk

The Company is exposed to credit risk as a result of counterparties defaulting their obligations. The Company's exposure to credit risk primarily relates to trade receivables. The Company monitors and limits its exposure to credit risks on a reasonable basis. The Company's credit risk is associated with Trade Receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, the Company Yearically reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.
Financial instruments that are subject to such risks, principally consist of trade receivables,contract assets such as unbilled revenue, loans to subsidiaries, security deposits and cash and bank balances. None of the financial instruments of the Company results in material concentration of credit risk.

• Trade receivables/contract assets

Customer credit risk is managed by the Company subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.
An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, "Financial Instruments" which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.
To measure the expected credit loss, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Company has therefore concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.
The historical rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

Reconcilation of loss allowance and credit impairment provisions

Particulars	Amount
Loss allowance as at March 31, 2023	**165.32**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the Year	(6.10)
:Provision for the Year	55.29
:Recovery of Bad Debts	13.52
Loss allowance as at March 31, 2024	**228.03**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the Year	-
:Provision for the Year	99.35
:Recovery of Bad Debts	-
Loss allowance as at March 31, 2025	**327.37**

Loss allowance matrix

Ageing Bucket	% of ECL
<= 60 days	0.00%
61 to 90 days	25.00%
91 to 180 days	30.00%
181 to 365 days	50.00%
Above 365 days	100.00%

(b) Liquidity Risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The Company monitors and manages the liquidity risk to ensure acces to sufficient fund to meet operational and financial requirements. The Company has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the Company's liquidity risk , the Company's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due , under both normal and stressed conditions without incurring unacceptable losses.
The table below analyzes the Company's financial liabilities into relevent maturity groupings based on their contractual maturities.

March 31, 2025

Particulars	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	341.80	64.17	405.97
Lease liabilities	-	272.03	227.86	499.89
Current financial liabilities				
Current borrowings	221.16	-	-	221.16
Lease liabilities	140.40	-	-	140.40
Trade payables	283.09	-	-	283.09
Capital creditors	392.94	-	-	392.94
Total	**1,037.59**	**613.83**	**292.03**	**1,943.45**

March 31, 2024

Particulars	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	133.15	714.58	847.73
Lease liabilities	-	346.01	587.10	933.12
Current financial liabilities				
Current borrowings	306.67	-	-	306.67
Lease liabilities	164.49	-	-	164.49
Trade payables	226.95	-	-	226.95
Other current financial liabilities	101.20	-	-	101.20
	799.32	**479.16**	**1,301.68**	**2,580.16**

(All amounts are in Rupees million, unless otherwise stated)

(c) Market risk

Market risk is the risk of any loss in the future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change due to change in interest rates, foreign currency exchange rates, liquidity, and other market changes. Future specific market movements cannot be market predicted with reasonable accuracy.

(i) Foreign currency exchange rate risk

The Company deals with receivables from customers and payables to vendors. It is therefore exposed to foreign exchange risk associated with exchange rate movements.The foreign exchange rate fluctuations do not have any material impact on the profitability of the Company as such exports and foreign currency expenditure is negligible in totality.
There are no forward exchange contracts which have been entered into by the Company as at the reporting dates.

Details of foreign currency exposures that are not hedged by a derivatives instrument or otherwise:

Particulars	March 31, 2025	March 31, 2024
Receivables (asset)		
USD		0.02
GBP	0.07	0.07
EUR	-	-
Payables (liability)		
USD	0.02	0.02
AED	-	-
GBP	-	-
Loan (given)		
USD	0.03	0.04
AED	16.90	-
GBP	-	-

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's debt obligations with floating interest rates.
Interest rate exposure : The exposure of the Company's borrowings to interest rate changes at the end of the reporting Year are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on variable rate borrowings	125.92	176.43

Sensitivity analysis

Profit or loss to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
If interest rates -		
Increase by 1%	1.26	1.76
Decrease by 1%	(1.26)	(1.76)

(All amounts are in Rupees million, unless otherwise stated)

34 Share based payments

1 ESOP Scheme 2021

(a) Description of share based payment arrangements

On August 9, 2021, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2021. These options are granted to eligible employees of The Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of Rs. 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of The Company for every option. Options will be available for vesting upon successful completion of service during the vesting period. The options were granted on August 30, 2021.

Vesting conditions

Options can be exerscised within 4 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
30 August 2022	50%
30 August 2023	20%
30 August 2024	20%
30 August 2025	10%

(b) Measurement of fair values

Vesting	Exerscise price	Expected volatility	Risk free rate	Expected life	Weighted average fair value as at grant date	Method of valuation
30 August 2022	65	20.33%	5.65%	3 to 6 years	10.60	Black – Scholes Model
30 August 2023	65	20.33%	5.65%	3 to 6 years	13.38	Black – Scholes Model
30 August 2024	65	20.33%	5.65%	3 to 6 years	15.96	Black – Scholes Model
30 August 2025	65	20.33%	5.65%	3 to 6 years	18.35	Black – Scholes Model

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee stock ownership plan expense	1.48	5.18

There were 1,34,000 ESOP cancellations and no modifications to the options in the period ended March 31, 2025

The carrying amount of the liability relating to the Employee Stock Ownership Plan as at March 31, 2025 was Rs.17.55 million (March 31, 2024: Rs. 16.07 million)

(d) Reconciliation of outstanding share options

The number share options under the share option scheme are as follows

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Options outstanding as at the beginning of the year	12,77,000	13,75,000
Add: Options granted during the year	-	-
Less: Options forfeited and expired during the year	1,34,000	98,000
Less: Options exercised during the year	1,45,860	-
Options outstanding as at the year end	**9,97,140**	**12,77,000**
Exercisable at the end of the year	8,88,240	8,93,900

(All amounts are in Rupees million, unless otherwise stated)

34 Share based payments
2 ESOP Scheme 2024
(a) Description of share based payment arrangements

On December 6, 2024, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2024. These options are granted to eligible employees of The Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of Rs. 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of The Company for every option. Options granted under the Plan shall vest within a specified time period or on achievement of certain performance milestones or both subject to a minimum Vesting Period of 1 (one) year. The options were granted on February 28, 2025.

Vesting conditions
Options can be exercised within 3 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
March 1, 2026	10%
March 1, 2027	30%
March 1, 2028	40%
March 1, 2029	20%

(b) Measurement of fair values

Vesting	Exerscise price	Expected volatility	Risk free rate	Expected life (in years)	Weighted average fair value as at grant date	Method of valuation
March 1, 2026	225	18.45%	6.56%	2.5	44.83	Black – Scholes Model
March 1, 2027	225	20.03%	6.59%	3.5	58.56	Black – Scholes Model
March 1, 2028	225	20.09%	6.64%	4.5	69.71	Black – Scholes Model
March 1, 2029	225	22.93%	6.69%	5.5	83.73	Black – Scholes Model

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee stock ownership plan expense	0.77	-

There were 10,000 ESOP cancellations and no modifications to the options in the period ended March 31, 2025

The carrying amount of the liability relating to the Employee Stock Ownership Plan as at March 31, 2025 was Rs.0.77 million.

(d) Reconciliation of outstanding share options
The number share options under the share option scheme are as follows

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	20,60,000	-
Less: Options forfeited and expired during the year	10,000	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	20,50,000	-
Exercisable at the end of the year	-	-

(All amounts are in Rupees million, unless otherwise stated)

35 Capital Management

For the purpose of the Company’s capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximize brand value.

The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions.
The Company monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting Year was as follows.

Particulars	As at March 31, 2025	As at March 31, 2024
Debt*	627.12	1,154.40
Cash and bank balances	(190.48)	(12.74)
Net debt	**436.65**	**1,141.66**
Shareholders' funds		
Equity share capital	100.43	92.89
Reserves and surplus	4,314.50	2,343.27
Total equity	**4,414.93**	**2,436.16**
Net debt to equity ratio	**0.10**	**0.47**
Total Debt to Equity ratio	**0.14**	**0.47**

*** includes current maturity of long term borrowing**

36 Micro, Small and Medium Enterprises Development Act, 2006

As per the information available, the management has not received information from some of their suppliers for the year ended March 31, 2025 confirming that they are covered under Micro, Small and Medium Enterprises Development Act, 2006. In Management’s view, the impact of any interest that may be payable (in accordance with the provisions of the Micro, Small and Medium Enterprise Development Act, 2006) on delayed payments to its micro or small suppliers is not expected to be significant.

37 Segment Information

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

The Company has identified business segment as its primary segment. In accordance with Indian Accounting Standard 108 - Segment Reporting, the Company has determined its business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker (“CODM”). Since the entire Company’s business is from information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2025 and for the year ended March 31, 2024.

The secondary segment by geographical segments is provided below based on location of customers:

The Company has identified India and Rest of the world as geographical segments for secondary segmental reporting. Geographical sales are segregated based on the location of the customer who is invoiced or in relation to which the sale is otherwise recognized. Assets other than receivables used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as these are used interchangeably between segments.

Geographical Segment	Sales and Services		Total Assets	
	Year ended March 31, 2025	Year ended March 31, 2024	As at March 31, 2025	As at March 31, 2024
India	2,877.36	2,713.75	5,840.65	4,423.94
Outside India	696.92	99.93	404.28	10.71
Total	**3,574.28**	**2,813.68**	**6,244.93**	**4,434.65**

Information about major customers:

During year ended March 31,2025 there is one customer Gazprom Bank who have contributed Rs.594.08 million (18.37%) and there is no single external customer which contributes more than 10% to the revenue for the year ended March 31, 2024.

38 CSR Expenditure

As per provisions of section 135 of the Companies Act, 2013, the company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.
The Company has contributed a sum of Rs.1.57 million (March 31, 2024: Rs. 0.32 Mn) for the Year towards this cause and charged the same to the Statement of Profit And Loss.
The gross amount required to be spent during the Year was Rs 1.12 million .

(in million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contribution	1.57	0.32
Total	**1.57**	**0.32**
Amount required to be spent as per Section 135 of the Act	1.12	0.18
Amount spent during the year on		
(i) Research centre	-	-
(ii) Promotion of healthcare including preventive healthcare	-	0.32
(iii) Safeguarding environmental sustainability, ecological balance and conservation of natural resources	1.57	-

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2024		Amount required to be spent during the Year	Amount spent during the year		Balance as at March 31, 2025	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
NIL	-	-	-	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at 1 April 2024	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the Year	Amount spent during the Year	Balance unspent / (excess spent) as at March 31, 2025
-	-	1.12	1.57	(0.45)

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at 1 April 2024	Amount required to be spent during the Year	Amount spent during the Year	Balance excess spent as at March 31, 2025
0.21	1.12	1.57	0.66

39 Exceptional Items:

a) As per report dated July 30, 2024 of the GST audit conducted by Karnataka GST Department, Wrong availment and utilization of excess input tax credit of Rs.0.12 million due to the incorrect ITC claimed In 3B vis-a-vis as available in GSTR-2A and Wrong availment and utilization of excess input tax credit of Rs.0.22 million in terms of Section 16(2) of KGST Act,2017 charged on the company. These exceptional items, totaling Rs. 0.34 million, have been recognized in the financial statements for the year endded as at March 31, 2025, impacting the income statement. Company also paid Rs.1.65 million against Demand order for FY 2020-2021 of Karnataka Department and recognized as cost.

b) Company had paid liability against the appeal order for FY 2017-2018, FY 2019-2020 and FY 2020-2021 aggregating to amounting to Rs. 16.41 million during March 2025. Company has also reversed the provision of interest on GST already provided against these order amounting to Rs.16.99 million.

c) During the Financial Year 2023-24, the Company encountered exceptional circumstances which significantly impacted its financial position. As part of these occurrences, the Company disbursed an amount of Rs. 1.87 million for the resolution of pending dues under the VAT amnesty scheme, pertaining to the financial years 2014-15, 2016-17, and 2017-18. Additionally, an amount receivable from the VAT Department, totaling Rs. 3.28 million, was deemed irrecoverable and consequently written off during the same period.
These exceptional items, totaling Rs. 5.15 million, have been recognized in the financial statements for the year ended 2024, impacting both the income statement and the balance sheet.

d) On July 7, 2023, the Company received a notice from the CGST Department under section 73(5), indicating the Department's belief that the Company should reverse Input Tax Credit (ITC). In response, the Company filed an appeal against this notice. As part of the appeal process, the Company incurred expenses totaling Rs. 1.40 million as appeal fees.
Given the uncertain nature of the outcome of the appeal and the potential impact on the Company's financial position, these expenses have been treated as exceptional items in the financial statements for the year ended 2024.

e) During the Fiscal Year 2023-24, the Company received a notice from the Maharashtra State Electricity Distribution Company Limited (MSEDCL) indicating a penalty of Rs. 4.18 million. The penalty was imposed on the Company due to erroneous availment of subsidies from 2016 until the current year.
In response to the notice and to resolve the matter, the Company opted to settle the penalty amount, resulting in an expenditure of Rs. 4.18 million during the year.
Management acknowledges the exceptional nature of this expense, considering it as a one-time event that impacted the Company's financial results for the period. The settlement of this penalty has been disclosed separately in the financial statements for the year ended 2024, under exceptional items, to provide transparency regarding its impact on the Company's financial position.

(All amounts are in Rupees Millions, unless otherwise stated)

40 Ageing Schedule

a) Trade Receivables

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	967.48	164.10	84.73	15.99	64.35	(311.72)	984.93
Trade Receivables-Credit Impaired	-	-	-	-	-	15.65	(15.65)	-
Total Trade Receivables	**-**	**967.48**	**164.10**	**84.73**	**15.99**	**80.00**	**(327.37)**	**984.93**
Unbilled Receivable	432.22	-	-	-	-	-	-	432.22
Total Trade Receivables - Billed and Unbilled								**1,417.15**

Outstanding for following period from the date of transaction as at March 31, 2024

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	682.75	107.47	39.74	11.12	56.74	(212.38)	685.45
Trade Receivables-Credit Impaired	-	-	-	-		15.65	(15.65)	-
Total Trade Receivables	**-**	**682.75**	**107.47**	**39.74**	**11.12**	**72.39**	**(228.03)**	**685.45**
Unbilled Receivable	504.53	-	-	-	-	-	-	504.53
Total Trade Receivables - Billed and Unbilled								**1,189.98**

b) Trade Payables

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Provision for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	26.36	0.13	-	0.01	-	26.50
Others	55.32	136.30	27.68	0.02	-	11.60	256.59
Disputed- Others	-	-	-	25.68	-	-	25.68
Total	**55.32**	**162.66**	**27.81**	**25.70**	**0.01**	**11.60**	**283.09**

Outstanding for following period from the date of transaction as at March 31, 2024

Particulars	Provision for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	5.72	-	-	-	-	5.72
Others	25.22	120.28	11.23	4.58	0.23	19.01	180.55
Disputed- Others	-	40.68	-	-	-	-	40.68
Total	**25.22**	**166.68**	**11.23**	**4.58**	**0.23**	**19.01**	**226.95**

(All amounts are in Rupees million, unless otherwise stated)

41 Additional Regulatory Requirements-Ratios

	Ratios		As at March 31, 2025			As at March 31, 2024			
Sr.No.	**Particulars**	**Formulae used for calculation of ratio**	**Numerator**	**Denomintor**	**Ratio**	**Numerator**	**Denomintor**	**Ratio**	**% Change in Ratio**
a)	Current ratio	Current Assets/Current Liabilities	2,797.22	1,208.79	2.31	2,098.52	909.87	2.31	0.33%
b)	Debt-Equity Ratio	(Non-current borrowings+ Current borrowings)/Total Equity	627.12	4,531.63	0.14	1,154.40	2,553.12	0.45	-69.39%
c)	Debt Service Coverage Ratio	EBIDTA/Current Debt obligation	1,538.57	221.16	6.96	970.28	306.67	3.16	119.89%
d)	Return on Equity Ratio	Profit after tax/Average Shareholders Equity	607.57	3,542.38	17.15%	164.83	2,452.13	6.72%	155.16%
e)	Trade Receivables turnover ratio	Revenue from operations/Average trade receivables	3,574.28	835.19	4.28	2,813.68	625.31	4.50	-4.89%
f)	Trade payables turnover ratio	(Purchase of goods + Other expenses)/Average trade payables	1,098.34	255.02	4.31	1,002.19	245.35	4.08	5.44%
g)	Net capital turnover ratio	Revenue from operations/(Current assets- Current liabilities)	3,574.28	1,588.43	2.25	2,813.68	1,188.65	2.37	-4.94%
h)	Net profit ratio	Profit after tax/ Revenue from operations	607.57	3,574.28	17.00%	164.83	2,813.68	5.86%	190.17%
j)	Return on capital employed	EBIT/Average Capital employed	1,092.20	4,525.80	24.13%	532.26	3,742.08	14.22%	69.67%

Reasons for Change more than 25% from previous year

a)**Debt to Equity Ratio:** Debt to equity ratio has decreased as company have paid the Non-current borrowings during the year resulting in lower debts also company equity have increased due to fresh issue of equity shares and profits derived during the year

b)**Debt Service Coverage Ratio** :Increase in earnings before tax due to better revenue and decrease in the finance costs and current debt lead to better debt service coverage ratio.

c)**Return on Equity Ratio** :Profits as compared to previous year have increased more as compared to increase in shareholder's funds.
d)**Net profit ratio :**Increase in net profits due to better management and reduction in costs lead to higher net profit ratio in comparison with previous year.
e)**Return on capital employed:** Increase in earnings before interest and tax and consistent capital employed lead to better return on capital employed.

ii) Borrowings obtained on the basis of security of current assets
The company has filed quarterly returns or statements with the banks in lieu of the sanctioned working facilities,there is no material differences.

42 Events After the Reporting Period

Pursuant to **Ind AS 10 – Events after the Reporting Period**, the Company has evaluated events occurring subsequent to the reporting date and has identified the following material non-adjusting events:

i) On May 26,2025, the Company sold 200 equity shares of Rs. 10 each of Spochub Solutions Private Limited to Piyush Somani. Hence, Spochub Solutions Private Limited ceased to be a wholly owned subsidiary of the company and holding in the subsidiary is reduced to 99.00%.

ii) The company received the ADT-01 for FY 2020-21 and submitted the required responses to the officer time to time and final order against this Audit received on February 28, 2025 amounting to Rs.46.88 million. Against this order company filed an appeal and received the appeal order on July 31,2025 directing the company to pay Rs.10.09 million.

43 Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

i) Title deeds of Immovable Property are in the name of company wherever applicable

ii) Details of Benami Property and its proceedings- Not applicable as there are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

iii) Wilful Defaulter - The company has not been declared wilful defaulter by bank or financial institution or government or any government authority.

iv) Relationship with Struck off Companies -As per section 248 of the Companies Act, 2013 or section 560 of Companies Act,1956 ,there are no balances outstanding with struck off companies

v) Compliance with number of layers of companies - Not Applicable as the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

vi) Compliance with approved Scheme(s) of Arrangements - Not Applicable as the Company has no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

vii) Details of Crypto Currency or Virtual Currency - Not Applicable as the Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

viii) There were no whistle blower complaints received by the Company during the year.

ix) The Company does not have any such transaction which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

x) The Company does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

xi) 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:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) Provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xii) 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:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xiii) Registration of charges or satisfaction with registrar of companies- The Company does not have any charges or satisfaction which is yet to registered with ROC beyond the statutory period.

44 Previous period figures have been regrouped/reclassified wherever necessary to confirm to current periods presentation

This is the Separate Balance Sheet referred to in our report of even date.

For Shah Khandelwal Jain & Associates	For and on behalf of the Board of Directors			
ICAI Firm Registration Number: 142740W	ESDS Software Solution Limited			
Chartered Accountants	CIN : U72200MH2005PLC155433			
Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Ashish Khandelwal	**Piyush Somani**	**Komal Somani**	**Prasad Deokar**	**Nadukuru Sita Ramaiah**
Partner	Chairman and Managing Director	Whole Time Director	Company secretary and compliance officer	Chief Financial officer
Membership No.: 049278	DIN :02357582	DIN: 08477154	M No:A34350	
Place : Pune	Place: Nashik	Place: Nashik	Place : Nashik	Place : Nashik
Date : 13/08/2025	Date : 13/08/2025	Date : 13/08/2025	Date : 13/08/2025	Date : 13/08/2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of ESDS Software Solution Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated IND AS financial statements of ESDS Software Solution Limited ("the Holding Company") and its subsidiaries (Holding Company & subsidiaries referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including the consolidated statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended , and notes to the Consolidated Financial Statements including a summary of material accounting policies, and other explanatory information (herein after referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the Consolidated IND AS financial statements give the information required by the Companies Act 2013, as amended("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and their consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted the audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 on the Consolidated Financial Statements.

Key Audit Matters

Key Audit Matters are those matters which in our professional judgement, were of the most significance in our Audit of the Consolidated Ind AS Financial Statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter – Revenue Recognition

The Group's contracts with customers include contracts with multiple products and services. The Group derives revenues from IT enabled services comprising Cloud Computing Infrastructure as a service (IaaS), Software as a Service (SaaS) and related managed services. As certain contracts with customers involve management's judgment in:

(1) Identifying distinct performance obligations,

(2) Determining whether the Company is acting as a principal or an agent and

(3) Whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method.

The Group has also assessed -

(i) The possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts,

(ii) Onerous obligations,

(iii) Penalties relating to breaches of service level agreements and

(iv) Termination or deferment of contracts by customers.

Revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort.

(Refer Note 2.8, 2.15, 2.16 in notes to the Consolidated Financial Statements for relevant accounting policy.)

How our audit addressed the matter:

In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

(i) Obtaining an understanding of the systems, processes and controls implemented by management for recording and computing revenue and associated unbilled revenue, unearned and deferred revenue balances and onerous contract obligations, if any.

(ii) Evaluated the design and operating effectiveness of internal controls relating to the application of revenue accounting standard specifically, those relating to identification of the distinct performance obligations and determination of transaction price.

(iii) In respect of a sample of large and complex contracts and certain other contracts, our procedures included, among other things:

a. Identified significant terms of the contracts;
b. Assessing appropriateness of management's significant judgements in accounting for identified contracts such as identification of performance obligation and allocation of consideration to identified performance obligation;
c. Evaluation of the contract terms with respect to assessment of the date of transfer of control;
d. Testing of timing of recognition of revenue (including procedures related to cut off) in line with the terms of contracts;
e. Testing the appropriateness of key assumptions used by Management including the appropriateness and reasonability of Management's conclusion regarding the expected delays in estimated completion of the performance obligations and possible impact on key estimates. Obtained understanding of the terms and communications with the customers to assess the likelihood of availability of contractual remedies.

(iv) Reviewing the adequacy and presentation of revenue recognition disclosures in the financial statements, ensuring their compliance with the disclosure requirements of Ind AS 115.

Our audit procedures, combined with other procedures performed during the audit, provided us with sufficient evidence to form our opinion on the group's revenue recognition practices and their compliance with Ind AS.

Information other than the Financial Statements and Auditors' Report thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statement of the subsidiaries audited by the other auditors and, in doing so, place reliance on the work of other auditors and consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other consolidated comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

As per the Rule 11(g) of the Companies (Audit and Auditors) Amendment Rules, 2021; every company which uses accounting software for maintaining its books of accounts, is required to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The management has a responsibility for effective implementation of the requirements prescribed by account rules and for ensuring selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations (including those related to retention of audit logs).

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. We have taken into account the provisions of the Companies Act 2013, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated IND AS financial statements.

Other Matters

a) We have not audited the financial statements/financial information of a subsidiary, whose financial statements reflect total assets of Rs. 0.14 million as at March 31, 2025. These Financial Statements have been audited by other Auditors whose Reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) & (11) of Section 143 of the Act, in so far it relates to the aforesaid subsidiaries, is solely based on the reports of the other auditors.

b) The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of two subsidiaries, whose financial statements and other financial information reflect total assets of Rs. 446.81 million as at March 31, 2025, and total revenues Rs. 39.02 million for the year ended March 31, 2025. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information.

In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries we report, to the extent applicable that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept by the Group so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors of Holding Company as on March 31, 2025, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act of its subsidiaries none of the directors of the Group Companies, incorporated in India, 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 adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS financial statements of the Holding Company & its subsidiaries, refer to our separate Report in "Annexure 1" to this report;

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

i. The Company has disclosed the impact of pending litigations on its financial position of the Group in its Consolidated Ind AS financial statements (Refer note no. 28 of financial statement);

ii. The Company has made provision in the Consolidated Financial Statements, as required if any under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

b) The management has represented that, to the best of its knowledge and belief , no funds (which are material either individually or in the aggregate) have been received by the the Holding Company or its subsidiary companies incorporated in India from any person or entities including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise , that the company shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever 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 were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v) The Holding Company and its subsidiary companies incorporated in India has not declared or paid any dividend during the year, therefore the provisions of the section 123 of the Act is not applicable.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, the company and subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for the record retention.

2. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion, the managerial remuneration for the year ended March 31, 2025 paid by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 read with schedule V of the act.

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

For Shah Khandelwal Jain & Associates
Chartered Accountants
Firm Registration No. 142740W

Sd/-

Ashish Khandelwal
Partner
Membership No. 049278
Place: Pune
Date: 13-08-2025
UDIN: 25049278BMHZEM1622

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Wellesley Road Near RTO,
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Annexure 1 referred to in paragraph 1 (f) under the heading "Report on other Legal and Regulatory requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of ESDS Software Solution Limited ("the Holding Company") and its subsidiaries, as of March 31, 2025 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

According to the information and explanations given to us and based on our audit, the Holding Company, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2025.

In relation to the subsidiaries, which are incorporated in India, please refer Other Matters paragraph below.

Other Matters

As per section 143(3)(i) of the Companies Act, 2013, reporting of internal financial controls over financial reporting is not applicable to a subsidiary, which incorporated in India, thus our report over the internal financial controls over financial reporting is based on the internal financial controls over financial reporting of the Holding Company.

For Shah Khandelwal Jain & Associates

Chartered Accountants
Firm Registration No: 142740W

Sd/-

Ashish Khandelwal
Partner
Membership No. 049278
Place: Pune
Date: 13-08-2025
UDIN: 25049278BMHZEM1622

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Consolidated Balance sheet as at March 31, 2025
(All amounts are in Rupees Million, unless otherwise stated)

Particulars	Notes	As at March 31,2025	As at March 31,2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,850.00	2,180.50
Right-of-use of assets	4	662.43	995.05
Capital work-in-progress		-	-
Intangible assets	5	12.70	47.75
Financial Assets			
Non-current financial assets	6.a	164.98	102.28
Deferred tax Assets (net)	20		
Other non-current assets	7	33.61	24.81
Total non-current assets		**3,723.72**	**3,350.39**
Current assets			
Current financial assets			
Trade receivables	8a	997.56	690.03
Unbilled Receivable	8b	437.28	515.20
Cash and cash equivalents	9	606.80	22.47
Other bank balances	10	-	-
Other current financial assets	6.b	427.56	576.65
Income-tax assets	10	-	142.38
Other current assets	11	366.57	179.97
Total current assets		**2,835.78**	**2,126.71**
Total assets		**6,559.50**	**5,477.09**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	100.43	92.89
Other equity			
Reserves and surplus	13	3,999.51	2,079.74
Other reserves	13	75.87	86.45
Equity attributable to owners of ESDS Software Solution Limited		**4,175.81**	**2,259.09**
Non-controlling interest	38	-	6.00
Total equity		**4,175.81**	**2,265.09**
LIABILITIES			
Non-current liabilities			
Non current financial liabilities			
Non-current borrowings	14.a	405.97	847.73
Lease liabilities		499.89	933.12
Employee benefit obligations	16	141.30	121.80
Deferred tax Liability (net)	20	116.49	56.48
Total non-current liabilities		**1,163.64**	**1,959.12**
Current liabilities			
Current financial liabilities			
Current borrowings	14.b	221.16	642.71
Lease liabilities	4	140.40	164.49
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	17	26.50	5.72
Total outstanding dues of creditors other than micro enterprises and small	17	263.76	227.18
Other current financial liabilities	15	395.12	101.20
Employee benefit obligations	16	3.56	3.13
Other current liabilities	18	169.54	108.45
Total current liabilities		**1,220.04**	**1,252.89**
Total liabilities		**2,383.68**	**3,212.00**
Total equity and liabilities		**6,559.50**	**5,477.09**

The above balance sheet should be read in conjunction with the material accounting policy information and notes forming part of the Consolidated Financial Information.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date :13/08/2025

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date :13/08/2025

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date :13/08/2025

Sd/-
Prasad Deokar
Company Secretary and Compliance officer
Membership No.: A34350
Place: Nashik
Date :13/08/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer
Place: Nashik
Date :13/08/2025

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Consolidated Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in Rupees Million, unless otherwise stated)

Particulars	Notes	For theYear ended March 31, 2025	For theYear ended March 31, 2024
Revenue from operations	21	3,613.35	2,865.18
Other income	22	153.06	56.18
Total income		**3,766.42**	**2,921.36**
Expenses			
Employee benefit expense	23	941.27	850.72
Finance costs	24	252.49	315.75
Depreciation and amortisation expense	25	622.06	525.52
Other expenses	26	1,123.23	995.66
Total expenses		**2,939.06**	**2,687.64**
Profit /(loss) before exceptional items		**827.36**	**233.72**
Exceptional Items			
Rates and Taxes		1.41	6.55
Penalty			4.18
Profit /(loss) before tax		**825.94**	**222.99**
Income tax expense			
Current tax (MAT)	19	245.55	9.10
Less: MAT credit entitlement	19	(73.92)	
Prior year taxes		-	4.35
Deferred tax	19	98.20	73.45
Total tax expense / (write-back of tax expense)		**269.83**	**86.89**
Profit/(loss) for the year [A]		**556.11**	**136.10**
Other comprehensive income			
Changes in the fair value of debt instruments at FVOCI			
Items that will not be reclassified to profit or loss			
Revaluation surplus on Land and Buildings		-	38.97
Changes in the fair value of equity instruments at FVOCI			
Remeasurement of post-employment benefit obligations		(3.02)	(14.08)
Income tax relating to these items		0.84	3.92
		(2.18)	**28.80**
Items that will be reclassified to profit or loss			
Foreign exchange differences on transalation of foreign operations		(10.33)	(6.54)
Total other comprehensive income/(loss) for the year, net of tax [B]		**(12.51)**	**22.27**
Total comprehensive income/(loss) for the year [A+B]		**543.60**	**158.37**
Profit is attributable to:			
Owners of ESDS Software Solution Limited		556.11	125.72
Non-controlling interest		-	10.38
		556.11	**136.10**
Other comprehensive income is attributable to:			
Owners of ESDS Software Solution Limited		(12.51)	22.27
Non-controlling interest		-	-
		(12.51)	**22.27**
Total comprehensive income is attributable to:			
Owners of ESDS Software Solution Limited		543.60	147.99
Non-controlling interest		-	10.38
		543.60	**158.37**
Earnings per equity share for profit attributable to owners of ESDS Software Solution Limited	27		
Basic (face value of equity shares : INR 1 per share)		5.83	1.35
Diluted (face value of equity shares : INR 1 per share)		5.83	1.35

The above statement of profit and loss should be read in conjunction with material accounting policy information and notes forming part of the Consolidated Financial Information.

This is the Statement of Consolidated Profit & Loss referred to in our report of even date.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date :13/08/2025

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date :13/08/2025

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date :13/08/2025

Sd/-
Prasad Deokar
Company Secretary and Compliance officer
Membership No.: A34350
Place: Nashik
Date :13/08/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date :13/08/2025

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Consolidated Statement of Cashflows for the year ended March 31, 2025
(All amounts are in Rupees Million, unless otherwise stated)

Particulars	For theYear ended March 31, 2025	Year Ended March 31, 2024
A) Cash flows from operating activities		
Profit / (Loss) before tax	825.94	222.99
Adjustments for		
Depreciation and amortisation expense	622.06	525.52
Amortisation on ROU		
(Gain)/Loss on disposal of property, plant and equipment	(0.78)	(0.09)
Expected Credit loss allowance	99.27	55.29
Bad Debts		
Interest income classified as investing activities	(40.00)	(34.65)
Unwinding of Interets on SD		
Balance write back	(1.82)	
Finance costs	252.49	315.75
Interest on Lease Liability		
Unrealised exchange (gain)/loss	9.09	0.69
Employee stock option expenses	2.25	5.18
Cessation of lease liabilites	(104.93)	-
NCI loss in control	5.69	-
Operating profit before working capital changes	**1,669.26**	**1,090.68**
Changes in working capital		
(Increase) / Decrease in trade receivables	(337.97)	(375.79)
(Increase) / Decrease in other current and non current financial assets	133.18	(251.27)
(Increase) / Decrease in other current and non current assets	(195.40)	(20.46)
Increase / (Decrease) in trade payables	59.18	(44.27)
Increase / (Decrease) in employee benefit obligations	16.91	16.71
Increase/ (decrease) of current borrowings	(421.55)	35.85
Increase/ (Decrease) in other current and non current financial liabilities	293.92	57.65
Increase/ (Decrease) in other current and non current liabilities	36.09	(16.14)
Cash generated from operations	**1,253.63**	**492.95**
Income taxes paid (net of refunds received)	(41.60)	79.10
Net cash inflow/ (outflow) from operating activities	**1,212.03**	**572.05**
B) Cash flows from investing activities		
Payments /Disposal for property, plant and equipment and intangible assets	(1,134.24)	(230.45)
Proceeds from sale of property, plant and equipment	1.52	
Bank balances not considered as cash and cash equivalents		181.34
Interest/ income on investment received	39.28	34.65
Net cash flows from investing activities	**(1,093.44)**	**(14.46)**
C) Cash flows from financing activities		
Increase/ (decrease) of non-current borrowings	(441.76)	(198.42)
Principal elements of lease payments	(226.82)	(277.71)
Fresh issue of equity shares	1,370.87	-
Investment in Mutual Funds	(42.76)	-
Interest paid on borrowings	(170.85)	(229.56)
Net cash inflows/ (outflow) from financing activities	**488.69**	**(705.69)**
Net increase / (decrease) in cash and cash equivalents	607.28	(148.10)
Foreign currency translation impact on cash and cash equivalents	(22.94)	1.70
Cash and cash equivalents at the beginning of the financial year	22.47	168.86
Cash and cash equivalents at the end of the financial year	**606.80**	**22.47**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 31, 2024
Cash and cash equivalents (Note 10)	606.80	22.47
Balances as per statement of cash flows	**606.80**	**22.47**

The above statement of cash flow should be read in conjunction with material accounting policy information and notes forming part of the Restated Consolidated Financial Information.

Notes- Cash flow statement has been prepared under "indirect method" as set out in Ind AS-7 " Cash Flow Statement".

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date :13/08/2025

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date :13/08/2025

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date :13/08/2025

Sd/-
Prasad Deokar
Company Secretary and Compliance officer
Membership No.: A34350
Place: Nashik
Date :13/08/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date :13/08/2025

(All amounts are in Rupees Million, unless otherwise stated)

A. Equity share capital
Equity shares of Rs.1 each issued, subscribed and fully paid up

Particulars	Note	Total
As at March 31, 2023		**92.89**
Change in equity share capital		**-**
As at March 31, 2024		**92.89**
Change in equity share capital		**7.53**
As at March 31, 2025		**100.43**

B. Other equity

Particulars	Attributable to owners of ESDS Software Solution Limited								Non- controlling interest	Total other equity
	Equity component of compound financial instrument	Reserves and surplus				Other reserves				
		Securities premium account	Capital redemption reserve	Debenture Redemption Reserve	Retained earnings	Foreign currency translation reserve	Revalution reserve	Share Based Payment Reserve		
As at March 31,2023	**0.00**	**1,704.11**	**3.58**	**75.00**	**180.39**	**(23.96)**	**63.05**	**10.89**	**(4.38)**	**2,008.68**
Profit for the year	-	-	-	-	125.72		-	-	10.38	**136.10**
Currency translation adjustments for subsidiaries	-	-	-	-	-	(6.54)	-	-	-	**(6.54)**
Revaluation of land and building	-	-	-	-	-	-	38.97	-	-	**38.97**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	1.12	-	(1.12)		-	**-**
Deferred tax impact on above adjustments	-	-	-	-		-	-	-	-	**-**
Other comprehensive income	-	-	-	-	(10.17)	-	-	-	-	**(10.17)**
Share Based Payment - Expense recognized for the period	-	-	-	-	-	-	-	5.18		**5.18**
Transferred from Retained Earnings	-	-	-	-	-	-	-	-	-	**-**
Security Premium on account of fresh issue	-	-	-	-	-	-	-	-	-	**-**
Equity component of compound financial instruments issued during the year	-	-	-	-	-	-	-	-	-	**-**
						-	-	-	-	**-**
Total	**-**	**-**	**-**	**-**	**116.67**	**(6.54)**	**37.85**	**5.18**	**10.38**	**163.54**
As at March 31,2024	**0.00**	**1,704.11**	**3.58**	**75.00**	**297.06**	**(30.50)**	**100.89**	**16.07**	**6.00**	**2,172.22**
Profit for the year	-	-	-	-	556.11		-	-	-	**556.11**
Currency translation adjustments for subsidiaries	-	-	-	-	-	(10.33)	-	-	-	**(10.33)**
Revaluation of land and building	-	-	-	-	-	-	-	-	-	**-**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	2.50	-	(2.50)	-	-	**-**
Deferred tax impact on above adjustments	-	-	-	-		-	-	-	-	**-**
Other comprehensive income	-	-	-	-	(2.18)	-	-	-	-	**(2.18)**
Transfer from Debenture redemption reserve				(75.00)	75.00					
Share Based Payment - Expense recognized for the period	-	-	-	-	-	-	-	2.25		**2.25**
Loss of Subsidiary Control									(6.00)	**(6.00)**
Transferred from Retained Earnings	-	-	-	-	-	-	-	-	-	**-**
Security Premium on account of fresh issue	-	1,404.84	-	-	-	-	-	-	-	**1,404.84**
Cost incurred on issue of fresh equity shares		(41.50)								
Equity component of compound financial instruments	-	-	-	-	-	-	-	-	-	**-**
						-	-	-	-	**-**
Total	**-**	**1,363.34**	**-**	**(75.00)**	**631.43**	**(10.33)**	**(2.50)**	**2.25**	**(6.00)**	**1,944.69**
As at March 31,2025	**0.00**	**3,067.44**	**3.58**	**-**	**928.49**	**(40.83)**	**98.39**	**18.32**	**-**	**4,075.39**

The above statement of changes in equity should be read in conjunction with material accounting policy information and notes forming part of the Restated Consolidated Financial Information.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Ashish Khandelwal	**Piyush Somani**	**Komal Somani**	**Prasad Deokar**	**Nadukuru Sita Ramaiah**
Partner	Chairman and Managing Direc	Whole Time Director	Company Secretary and Compliance officer	Chief Financial Officer
Membership No.: 049278	DIN :02357582	DIN: 08477154	Membership No.: A34350	
Place : Pune	Place: Nashik	Place: Nashik	Place: Nashik	Place: Nashik
Date :13/08/2025	Date :13/08/2025	Date :13/08/2025	Date :13/08/2025	Date :13/08/2025

1. Corporate information

The Consolidated Financial Statements comprise financial statements of "ESDS Software Solution Limited" ("the Holding Company" or "The Company") and its subsidiaries (collectively referred to as "the Group") for the year ended March 31, 2025. [Refer note 38.a]

The Group is primarily engaged in providing IT enabled services (web hosting services, technical support services, data centre setup and consulting services) and supply of IT enabled products closely connected with the rendering of the IT enabled services.

The Company has its registered office in Nashik and runs its business operations in four cities Nashik, Mumbai and Bengaluru and Mohali.

2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for the Group consisting of ESDS Software Solution Limited (the 'Company') and its subsidiaries.
[Refer note 38.a]

2.1 Basis of accounting preparation and presentation

(i) Compliance with Ind AS

The consolidated 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.

(ii) Historical cost convention

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

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration is measured at fair value;
- Assets held for sale – measured at fair value less cost to sell; and
- Defined benefit plans – plan assets measured at fair value;

The financial statements are presented in "INR" and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

(iii) Current versus non-current classification

The Group 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 there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

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

2.2 Principles of consolidation and equity accounting

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The financial statements of the subsidiaries have been drawn up to the same reporting date as that of the parent company.

ii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity [refer note 38.b]

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

iii) Foreign currency translation

a) Functional and presentation currency

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

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the average exchange rates during the year. 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 period end exchange rates are generally 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 arising on foreign currency borrowings 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 a net basis within other gains/ (losses).

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 at FVOCI are recognised in other comprehensive income.

c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the functional currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

iv) Segmented reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The group is engaged in the business of "design, development, installation and servicing of information technology related resource which is a single business segment since these are subject to similar risk and returns. Accordingly, Information technology related resource service comprises the primary basis of segmental information as set out in these financial statement, which therefore reflects the information required by Ind AS 108 - Segment Reporting, with respect to primary segment.

Since the entire group's business is design, development, installation and servicing of information technology related resource, there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortization during the period are all as reflected in the Financial Statements as at and for the year ended March 31, 2025.

v) Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Group.

2.3 Property, plant and equipment

Initial recognition

All items of property, plant and equipment (including capital work-in-progress) are measured at its cost.
The cost of an item of property, plant and equipment comprises:

(a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement after recognition

The Group has elected revaluation model for measurement of land and building whose fair value can be measured reliably at each reporting period.

(a) Revaluation model for certain class of property, plant and equipment

Land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each period, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation reserve to retained earnings.

(b) Cost model for other class of assets

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of 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 group 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.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Type of asset	Useful life w.e.f April 2021 (in years)*
Office building	60
Computers and data centre equipment's	3/4/5/6/10/15
Office equipment	3/4/5/8/10/15/20
Furniture and fittings	10
Vehicles	8

*The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

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

The change in useful life is a change in estimate as per Ind AS 8, Ind AS 16 and the impact of the same on depreciation and resultant carrying amount has been applied prospectively.

2.4 Intangible assets (including intangible assets under development)
Software:

Intangible assets are recognized at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life so as to reflect the pattern in which the assets economic benefits are consumed.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets where the following criteria are met:

• It is technically feasible to complete the software so that it will be available for use
• Management intends to complete the software and use or sell it
• There is an ability to use or sell the software
• It can be demonstrated how the software will generate probable future economic benefits
• Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
• The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Following summarizes the nature of intangible and the estimated useful life:

Asset	Useful life (in years)
Software	10 and 3

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

2.5 Leases

As a lessee

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 group. Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

• fixed payments (including in-substance fixed payments), less any lease incentives receivable
• Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
• Amounts expected to be payable by the group under residual value guarantees
• The exercise price of a purchase option if the group is reasonably certain to exercise that option, and
• Payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

• where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
• uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
• makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal 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.

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

• The amount of the initial measurement of lease liability
• Any lease payments made at or before the commencement date less any lease incentives received
• Any initial direct costs, and
• Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all 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. Low-value assets comprise IT equipment and small items of office furniture.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.6 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

2.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.8 Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Unbilled revenue are classified as financial asset, when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customer. Therefore, unbilled revenue for other fixed price contracts are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

2.9 Contract Fulfilment Cost

The Company recognizes contract fulfilment cost as an asset if those cost specifically relate to a contract or to an anticipated contract, the cost generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is charged to profit and loss, whenever the performance obligation in relation to this asset is satisfied.

2.10 Other financial assets

(i) Classification

The group 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), and
• Those to be 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 equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

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

(ii) Recognition

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

(iii) Measurement

At initial recognition, the group measures a financial asset 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.

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 group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group 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. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/ (losses). Impairment losses are presented as separate line item in the statement of profit and loss.

· 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 FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income 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 are presented in other gains/ (losses) and impairment expenses are presented as separate line item in statement of profit and loss.

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 is recognised in profit or loss and presented net within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group'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 following the de-recognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the group'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 gain/ (losses) 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.

Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 35 for details stating how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

- The group 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 group 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 group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.11 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 for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income 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 consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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.

Minimum Alternate Tax

Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be grouped with deferred tax asset (net) in the Balance Sheet, and a separate note should be provided specifying the nature and amount of MAT credit included as part of deferred tax assets.

2.12 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.

The fair value of the liability portion of a compulsorily convertible preference is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

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).

Borrowings are classified as current liabilities unless the group 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.

2.13 Employee benefit obligations

Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and
(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of 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, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method

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 group pays provident fund contributions to publicly administered provident funds as per local regulations. The group 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.

2.14 Trade and other payables

These amounts represent liabilities for the services provided to the group prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within the agreed credit days of recognition. 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.

2.15 Unearned revenue

Unearned revenue relates to billing done for services/ performance obligations which have not been performed as on the date of reporting. These billings are as per the terms of the contract with customers.

2.16 Revenue from contracts with Customers

Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A new five-step process must be applied before revenue can be recognised:
(i) Identify contracts with customers

(ii) Identify the separate performance obligation
(iii) Determine the transaction price of the contract
(iv) Allocate the transaction price to each of the separate performance obligations, and
(v) Recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Group has Revenue from sale of services.

The Group accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from contract with customers is recognized when the Group satisfies performance obligations by rendering promised services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the group as part of the contract. The “transaction price” as the mount of consideration to which an entity expects to be entitled in exchange for rendering promised services to a customer, excluding amounts collected on behalf of third parties. Accumulated experience is used to estimate and provide for the discounts/right of the return, using the expected value method.

The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or
(b) The customer controls the work-in-progress, or
(c) The Group’s performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date

If none of the criteria above are met, the Group recognizes revenue at a point-in-time. The point-in-time is determined when the services are rendered which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to receive payment and the customer acceptance in determining the point in time where control has been transferred.

Rendering of services (Turnkey revenue and Webhosting revenue)

The Group provides hosting services, design, and implementation and support services under fixed-price and variable-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered based on usage. For fixed-price contracts, revenue is recognised based on the actual service provided to the customer till the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual man hours spent relative to the total expected man hours. Some contracts (Especially in case of Turnkey projects) include multiple deliverables, such as the sale of hardware and related installation services.

However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. If contracts include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes a usage based fee, revenue is recognised in the amount to which group has right to invoice. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

The amount recognised as revenue is exclusive of Goods and service tax and is net of discounts.

2.17 Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

2.18 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.19 Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 33.

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

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.20 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

• The profit attributable to owners of the group
• by the weighted average number of equity shares outstanding during the period, adjusted for bonus elements in equity shares issued during the period and excluding treasury shares [refer note 27]

(ii) 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.

(All amounts are in Rupees Million, unless otherwise stated)

3 Property, plant and equipment

Particulars	Land	Leasehold land improvements	Buildings	Computer and data centre equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as on April 1, 2023	**65.67**	**53.19**	**110.64**	**2,252.64**	**452.61**	**70.15**	**33.99**	**3,038.89**
Additions during the period	-	-	-	196.81	4.79	3.05	11.97	**216.62**
Reclassified from ROU	-	-	-	287.06	-	-	-	**287.06**
Revaluation of assets	20.04	-	21.88	-	-	-	-	**41.91**
Disposals during the period	-	-	-	-	-	-	(0.74)	**(0.74)**
Gross carrying amount as on March 31, 2024	**85.70**	**53.19**	**132.52**	**2,736.51**	**457.40**	**73.21**	**45.23**	**3,583.76**
Accumulated depreciation till April 1,2023	**2.57**	**3.72**	**7.66**	**776.80**	**237.39**	**26.61**	**16.67**	**1,071.42**
Charge for the period	0.73	0.93	2.14	256.72	57.04	7.35	4.51	**329.42**
Revaluation of assets	1.01	-	1.94	-	-	-	-	**2.94**
Accumulated depreciation on disposals during the period	-	-	-	-	-	-	(0.53)	(0.53)
Closing accumulated depreciation as at March 31, 2024	**4.30**	**4.65**	**11.74**	**1,033.51**	**294.43**	**33.96**	**20.65**	**1,403.26**
Net carrying amount as on March 31, 2024	**81.40**	**48.53**	**120.78**	**1,703.00**	**162.97**	**39.24**	**24.58**	**2,180.50**

Particulars	Land	Leasehold land improvements	Buildings	Computer and data centre equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as on April 1, 2024	**85.70**	**53.19**	**132.52**	**2,736.51**	**457.40**	**73.21**	**45.23**	**3,583.76**
Additions during the period	-	-	-	1,108.14	17.12	8.99	-	**1,134.24**
Reclassified from ROU	-	-	-	-	-	-	-	**-**
Revaluation of assets	-	-	-	-	-	-	-	**-**
Disposals during the period	-	-	-	-	-	-	(3.56)	**(3.56)**
Gross carrying amount as on March 31, 2025	**85.70**	**53.19**	**132.52**	**3,844.65**	**474.52**	**82.19**	**41.66**	**4,714.44**
Accumulated depreciation till April 1,2024	**4.30**	**4.65**	**11.74**	**1,033.51**	**294.43**	**33.96**	**20.65**	**1,403.26**
Charge for the period	0.77	0.93	1.57	353.30	90.96	8.83	5.14	**461.50**
Revaluation of assets	1.50	-	1.00	-	-	-	-	**2.50**
Accumulated depreciation on disposals during the period	-	-	-	-	-	-	(2.82)	**(2.82)**
Closing accumulated depreciation as at March 31, 2025	**6.57**	**5.59**	**14.31**	**1,386.82**	**385.39**	**42.79**	**22.97**	**1,864.43**
Net carrying amount as on March 31, 2025	**79.13**	**47.60**	**118.21**	**2,457.84**	**89.13**	**39.40**	**18.69**	**2,850.00**

For all items of property, plant and equipment, the Company has elected to continue with the carrying value as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and have used that as deemed costs.

Refer note no. 16 Footnote to borrowings for information on property, plant and equipment pledged as security by the Company.

Additional Disclosures:

1. The Company has elected to apply the revaluation model to its specified class of assets i.e. Land and Building of Property, Plant, and Equipment (PPE) as permitted by Ind AS 16 - Property, Plant and Equipment. Under this model, certain classes of PPE are carried at revalued amounts, reflecting fair values determined by market-based evidence at the date of revaluation.
2. The revaluation of Land and Building was conducted as of 12/04/2024, in accordance with the requirements of Indian Accounting Standard (IND AS) 16, "Property, Plant, and Equipment.
3. The revaluation was conducted by "Sunil Bhor and Associates" Govt. Registered Valuer, a reputable and independent valuation firm, appointed based on their expertise and in compliance with the guidelines outlined in IND AS 16.
4. In the absence of revaluation, the carrying amount of Land and Building would be Rs. 62.37 million and Rs. 100.84 million recognized at historical cost less accumulated depreciation and impairment losses.
5. The revaluation surplus resulting from the revaluation of PPE has been recognized in Other Comprehensive Income. For the current period, revaluation surplus amounts to Rs. 38.96 million , reflecting the difference between the fair value and the carrying amount of the revalued assets

(All amounts are in Rupees Million, unless otherwise stated)

4 Right to use Asset

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025

Particulars	Premises	Server	Amount
Balance as on March 31, 2023	**505.52**	**325.21**	**830.73**
Addition	348.40	237.10	585.50
ROU transferred to PPE on buyout option*	-	(287.06)	(287.06)
Amortisation	(72.50)	(61.61)	(134.12)
Balance as on March 31, 2024	**781.42**	**213.63**	**995.05**
Addition	23.77	-	23.77
Deletion	(233.06)	-	(233.06)
Modification/Rectification	(0.32)	-	(0.32)
Amortisation**	(96.42)	(26.60)	(123.02)
Balance as on March 31, 2025	**475.40**	**187.03**	**662.43**

***** During the year ended March 31, 2024 the holding company exercised its purchase option on a Right-of-Use (ROU) asset as per the terms outlined in the relevant lease agreements. This exercise of the purchase option resulted in a reclassification of the ROU asset to Property, Plant, and Equipment, in accordance with Indian accounting standards 16 & 116. The carrying amount of the ROU asset transferred to Property, Plant, and Equipment as on the date of exercise of purchase option in the relevant lease agreements is Rs. 287.06 million.

**The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.
The following is the break-up of current and non-current lease liabilities :

Lease liabilities

Particulars	March 31, 2025	March 31, 2024
Non-current	499.89	933.12
Current	140.40	164.49
Total	**640.29**	**1,097.61**

The following is the movement in lease liabilities during the year ended March 31, 2025

Particulars	March 31, 2025	March 31, 2024
Balance as at beginning of the reporting period	**1,097.61**	703.90
Additions during the year	22.17	585.28
Deletion	(334.32)	
Modification/Rectification		-
Finance cost accrued during the period	81.65	86.13
Payment of lease liabilities	(226.82)	(277.71)
Balance as at end of the reporting period	**640.29**	**1,097.61**

Payment of lease liabilities

Particulars	Premises	Equipments	Total
For the year ended March 31, 2025	135.31	91.51	**226.82**
For the period ended March 31, 2024	141.27	136.43	**277.71**

The lessee’s range of weighted average incremental borrowing rate applied to the lease liabilities was 9.50%.

The leases mainly comprises of DC premises,office premises, equipements and servers

Details Regarding contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis are as follows :

Particulars	March 31, 2025	March 31, 2024
Upto One year	194.09	260.59
One to Five years	573.12	1,022.98
More than Five years	50.06	167.04
Total	**817.27**	**1,450.60**

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5 Intangible assets

Particulars	Software
Opening gross carrying amount as on April 1, 2023	**211.24**
Additions during the period	-
Add:Transfer from Intangible assets under development	-
Gross carrying amount as on March 31, 2024	**211.24**
Accumulated Amortisation	
Balance as at April 1, 2023	101.51
Amortisation charge for the period	61.98
Accumulated amortisation on disposals during the period	-
Closing accumulated depreciation as at March 31, 2024	**163.50**
Net carrying value as on March 31, 2024	**47.75**

Particulars	Software
Opening gross carrying amount as on April 1, 2024	**211.24**
Additions during the period	-
Add: Change due to foregin currency transalation	-
Add:Transfer from Intangible assets under development	-
Gross carrying amount as on March 31, 2025	**211.24**
Accumulated Amortisation	
Balance as at April 1, 2024	163.50
Amortisation charge for the period	35.05
Accumulated amortisation on disposals during the period	-
Closing accumulated depreciation as at March 31, 2025	**198.54**
Net carrying value as on March 31, 2025	**12.70**

(All amounts are in Rupees Million, unless otherwise stated)

	Particulars	As at March 31, 2025	As at March 31, 2024
6.a	**Non-current financial assets**		
*	Term deposits with maturity more than 12 months from reporting date	85.70	58.81
	Accrued interest on above deposits		0.13
	Other receivables (TDS reimbursements)	3.23	5.75
	Aditya Birla Mutual funds	42.76	-
	Security deposits	33.28	37.60
	Total non-current financial assets	**164.98**	**102.28**

6.b Financial assets

	Particulars		
6.b	**Other current financial assets**		
*	Term deposits with maturity of less than 12 months from reporting date	364.71	499.51
	Accrued interest on above deposits	1.90	6.93
	Security deposit	60.76	41.40
	Other loans and advances	0.20	4.29
	Less: Loss allowance	-	(4.09)
**	Other receivables	-	28.60
	Total other current financial assets	**427.56**	**576.65**

* Term deposits amounting to Rs.85.70 million (Rs. 58.81 million as at 31st March, 2024) in Non current financial assets out of which Rs. 34.21 million (Rs. 49.79 million as at 31st March, 2024) and Rs. 364.71 million (Rs. 499.51 million as at 31st March, 2024) in Other current financial assets out of which Rs. 324.61 million (Rs. 472.86 million as at 31st March, 2024) have been liened against Bank guarantee and loans taken from bank.
This lien serves as a collateral to secure the repayment of borrowed funds.The liened term deposits classified as a restricted assets, reflecting their encumbrance and limited availability for other purposes.

** The Company has incurred share issue expenses of INR 74.39 million as at Decemeber 03, 2022 (DRHP Expiry date) in connection with proposed public offer of equity shares.In relation to the expenses incurred for the proposed Initial Public Offer (offer for sale from existing shareholders) of equity shares of the Company during the period , the selling shareholders had agreed that the expenses incurred by the Company till date (including any tax reimbursements) will be reimbursed by each of them on a proportionate basis (i.e. in proportion to the respective selling shareholding pattern) amounting to Rs.25.62 millions, which have been kept in Other receivables in financial statements. These expenses had been approved by the shareholders in accordance with the agreements for services entered into by the Company for the purpose of proposed IPO. In the event that the offer is postponed or withdrawn or abandoned for any reason or in the event the Offer is not successfully completed, all the expenses in relation to the Offer shall be borne by company and selling shareholders in accordance to the proportionate basis as above. The proposed public offer of equity shares is not successfully completed and hence the company share of expenses have been written off to the profit and loss account in FY 2022-23 and portion receivable from selling shareholders were received during the FY 2024-25.

7 Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	33.61	24.81
Total other non-current assets	**33.61**	**24.81**

8a Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables from others	1,324.94	918.06
Less: Loss allowance	(311.72)	(212.38)
Less: credit impaired	(15.65)	(15.65)
Total trade receivables	**997.56**	**690.03**
Break-up of security details		
Trade receivables (unsecured)		
Considered good	1,309.29	902.41
Significant increase in credit risk	15.65	15.65
Less: Loss allowance	(311.72)	(212.38)
Less: credit impaired	(15.65)	(15.65)
Total trade receivables	**997.56**	**690.03**

*For ageing schedule refer note no: 39

8b Unbilled Receivable

Particulars	As at March 31, 2025	As at March 31, 2024
Unbilled Revenue	437.28	515.20
Total Unbilled Revenue	**437.28**	**515.20**

9 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks	456.50	22.17
Cash on hand	0.29	0.30
Term deposits with maturity with less than 3 months	150.00	-
Lien marked Term deposits with maturity less than 3 months	-	
Total cash and cash equivalents	**606.80**	**22.47**

(All amounts are in Rupees Million, unless otherwise stated)

10 Income-tax assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax and tax deducted at source (net of provision)	-	142.38
Total income-tax assets	**-**	**142.38**

Movement in income-tax assets

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	142.38	234.93
Tax charge during the year	(245.55)	(9.10)
Tax charge in respect to earlier years	-	(4.35)
Demand adjustment against refund		(23.60)
Refund of taxes		(223.96)
Payment of advance tax/tax deducted at source during the year	103.17	168.45
Closing balance	**-**	**142.38**

11 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepayments	227.46	118.48
Advances to creditors	25.06	9.12
IPO Expenses	46.12	-
Advances to employees	1.53	1.19
Balances with statutory / government authorities	66.41	51.18
Total other current assets	**366.57**	**179.97**

12 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
11,50,00,000 (FY 2024 : 11,50,00,000) equity shares of Rs 1 each	115.00	115.00
31,50,000 (FY 2024: 31,50,000) 0.01% compulsory convertible preference shares of Rs 100 each	315.00	315.00
2,00,000 (FY 2024:2,00,000) 16% compulsory convertible preference shares of Rs 100 each	20.00	20.00
10,00,000 (FY 2024: 10,00,000) 0.01% compulsory convertible preference shares of Rs 10 each	10.00	10.00
Total	**460.00**	**460.00**
Issued, subscribed and paid up :		
Equity share capital		
10,04,27,753 (2024: 9,28,94,185)equity shares of Rs 1 each fully paid up	100.43	92.89
Total	**100.43**	**92.89**

(i) Reconciliation of number of equity shares issued, subscribed and paid up

Particulars	As at March 31, 2025	As at March 31, 2024
Shares outstanding at the beginning of the period	9,28,94,185	9,28,94,185
Add: :Fresh issue*	75,33,568	-
	-	-
Shares outstanding at the end of the period	**10,04,27,753**	**9,28,94,185**

*The Company had issued and allotted 46,34,151 (Forty Six Lakh Thirty Four Thousand and One Hundred Fifty One) equity shares of face value of Rs.1/- (Rupees One only) each fully paid-up ("Equity Shares") for cash, at an issue price of Rs.164/- (Rupees One Hundred and Sixty Four only) per equity share (which includes a premium of Rs.163/- per equity share), aggregating up to Rs.760 million /- on October 25, 2024.

*The Company had issued and allotted 28,99,417 (Twenty Nine Lakhs, Thirty Nine Thousand Seven Hundred and One) equity shares of face value of Rs.1/- (Rupees One only) each fully paid-up ("Equity Shares") for cash, at an issue price of Rs.225/- (Rupees Two Hundred and Twenty Five only) per equity share (which includes a premium of Rs.224/- per equity share), aggregating up to Rs.652.37 million /- on January 25, 2025.

(ii) Reconciliation of equity share capital issued, subscribed and paid up

Particulars	As at March 31, 2025	As at March 31, 2024
Equtiy share capital outstanding at the beginning of the period	92.89	92.89
Add : Fresh issue	7.53	-
Equity share capital outstanding at the end of the period	**100.43**	**92.89**

(All amounts are in Rupees Million, unless otherwise stated)

(iii) Terms/ rights attached to equity shares

The equity shares referred to as 'Ordinary equity shares' have a par value of Rs. 1 each. All Ordinary equity shares rank equally with regard to dividend and share in the Company's residual assets. Equity shares are entitled to receive dividend declared from time to time subject to payment of dividend to preference shareholders. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iv) Details of shareholders holding more than 5% equity shares is set out below

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	% holding	No. of shares	% holding	No. of shares
Piyush Somani	24.54%	2,46,48,670	28.91%	2,68,52,696
PO Somani Family Trust	11.19%	1,12,33,739	24.19%	2,24,67,478
Komal Somani	10.13%	1,01,74,322	0.00%	11
Mukul Agrawal	7.00%	70,32,960	0.00%	-
SAGF II Holdings LLC	0.00%	-	10.23%	95,06,036
South Asia Growth Fund II, L.P. (SAGF)	0.00%	-	22.30%	2,07,14,896
GEF ESDS Partners, L.L.C. (GEPL)	0.00%	-	8.16%	75,84,133
Total number of shares		**5,30,89,691**		**8,71,25,250**

(v) Details of shareholding of promoters is set out below

	Shares held by promoters at the end of the year March 31, 2025		Shares held by promoters at the end of the year March 31, 2024		% change during the period
Promoter Name	No. of shares	% of total shares	No. of shares	% of total shares	
Piyush Somani	2,46,48,670	24.54%	2,68,52,696	28.91%	-4.36%
Sarla Somani	3,788	0.00%	18,74,910	2.02%	-2.01%

(vi) Aggregate number of bonus shares issued during the Year of five years immediately preceding the reporting date: Nil

13 Other equity

	Particulars	As at March 31, 2025	As at March 31, 2024
I.	**Reserves and surplus**		
	Retained earnings	928.49	297.06
	Securities premium	3,067.44	1,704.10
	Capital redemption reserve	3.58	3.58
	Debenture redemption reserve	-	75.00
	Total reserves and surplus	**3,999.51**	**2,079.74**
(i)	**Retained earnings**		
	Opening balance	297.06	180.39
	Profit for the Year attributable to shareholders of the company	556.11	125.72
	Other comprehensive income attributable to shareholders of the company	(2.18)	(10.17)
	Add/Less:		
	Transfer from Debenture redemption reserve	75.00	-
	Adjustment of additional depreciation on increase in carrying value due to fair valuation	2.50	1.12
	Total retained earnings	**928.49**	**297.06**
(ii)	**Securities premium**		
	Opening balance	1,704.10	1,704.10
	Add: Premium on issue of equity shares	1,404.84	-
	Less: Equity cost*	(41.50)	-
	Total securities premium	**3,067.44**	**1,704.10**
(iii)	**Capital redemption reserve**		
	Opening balance	3.58	3.58
	Add: Transfer from retained earnings	-	-
	Total capital redemption reserve	**3.58**	**3.58**
(iv)	**Debenture redemption reserve**		
	Opening balance	75.00	75.00
	Add: Transfer from retained earnings	(75.00)	-
	Total debenture redemption reserve	**--**	**75.00**
III.	**Other reserves**		
i)	**Foreign currency translation reserve**		
	Opening balance	(30.50)	(23.97)
	Add : Currency translation adjustments for subsidiaries	(10.33)	(6.54)
	Total foreign currency translation reserve	**(40.84)**	**(30.50)**
ii)	**Revaluation reserve**		
	Opening balance	100.89	63.04
	Add: revaluation of land and building	-	38.97
	Less: adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	(2.50)	(1.12)
	Total revaluation reserve	**98.39**	**100.89**
(ii)	**Share based payment reserve**		
	Opening balance	16.07	10.89
	Expense recognized for the year	2.25	5.18
	Total share based payment reserve	**18.32**	**16.07**
	Total other reserves	**75.87**	**86.45**
	Total equity	**4,075.38**	**2,166.20**

* During the financial year, the Company raised Rs. 1,412.37 million by way of private placement of equity shares. Expenses directly attributable to the issue of shares, amounting to Rs. 41.50 million, were incurred on legal, professional, and regulatory services. In accordance with the principles laid down in Ind AS 32 – Financial Instruments: Presentation, these share issue expenses have been adjusted against the Securities Premium Account, as they are directly attributable to the issuance of new equity instruments. No part of these expenses has been charged to the Statement of Profit and Loss.

II) Nature and purpose of reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

b) Capital Redemption Reserve

Capital Redemption reserve is created on account of redemption of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013

c)Debenture Redemption Reserve

Debenture redemption reserve have been created at 10% of the value of the outstanding non-convertible debentures. Company needs to invest/deposit into Debenture Redemption Fund Investment account at 15% of the amount to be redeemed if any in next financial year.

d) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

e) Revaluation Reserve

Revaluation reserve have been created on account of revaluation of land and building, adjusted with additional depreciaiton and taxes on the same.

f) Share based payment reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option

(All amounts are in Rupees Million, unless otherwise stated)

14.a Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured Non-Convertible Debentures		
750 Non Convertible Debentures (FV=10,00,000 each)**	-	750.00
Add:Accured amount	-	56.61
Secured:		
Term loans		
From banks	69.29	192.00
From financial institutions	504.17	17.16
Vehicle loans from banks	-	16.67
Total	**573.46**	**1,032.44**
Less : Current maturities of long term debts	(167.49)	(184.72)
Total non - current borrowings	**405.97**	**847.73**

**Company have issued 750 Unlisted,secured,reedmable, Non Convertible Debentures (NCDs) having face value of 10,00,000 each to Piramal Structred Credit Opportunites Fund in October 2022 till the final redemption date i.e the date which is 84 months from the effective date or the date on which all the Debenture secured obligation are fully paid. Coupon shall be 10% per annum compounded and payable monthly on and from the closing date untill the debenture final settlement date.The company have agreed to meet the investor return which shall be equivalent to 15.5% p.a for the first two years and 15% thereafter untill the debenture final settlement date. (refer footnote 17 for security details)
Accured amount shall mean the difference between Investor return and coupon paid for initial period of 24 months from the closing date. However as at the sigining of balance sheet, such Non-convertible debtenures are paid in full.

14.b Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured:		
Demand loans from banks	53.67	121.95
Current maturities of long-term debts	167.49	184.72
Unsecured:		
From Others	-	336.04
From financial institutions		
From fellow subsidiary company	-	-
Total current borrowings	**221.16**	**642.71**

15 Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Capital creditors**	366.16	14.63
Accrued employee liabilities		
Related parties [refer note 29]		-
Others	17.16	74.63
Interest accrued but not due on borrowings	-	0.22
Other payables	11.80	11.71
Total other current financial liabilities	**395.12**	**101.20**

** Capital creditors are generally of current nature, but are considered to be non current wherever the group has unconditional right to defer the payment beyond 12 months from the reporting date.

(All amounts are in Rupees Million, unless otherwise stated)

16 Employee benefit obligations

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Gratuity [refer note:30]	93.07	76.81
Compensated absences	48.23	44.99
Total non-current obligations	**141.30**	**121.80**
Current		
Gratuity [refer note:30]	2.00	1.64
Compensated absences	1.57	1.49
Total current obligations	**3.56**	**3.13**

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. 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 a non funded plan and the Company makes gratuity payments to employees.

17 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables		
-Total outstanding dues to Micro, small and Medium enterprises (refer note 35)	26.50	5.72
Related parties	-	-
Others	208.20	198.29
Provision for expenses	55.56	28.89
Total trade payables	**290.26**	**232.90**

*Refer note no 39 for ageing schedule
** Out of Rs. 184.66 millions (FY 2023-24 Rs.198.29 millions), Rs. 35.68 millions (FY 2023-24 Rs.40.68 millions) are disputed.

Disclosure persuant to Micro, Small & Medium Enterprises Development Act, 2006 for dues to micro, small & medium enterprises is as under

Sr.No.	Details of dues to micro and small enterprises as defined under the MSMED Act, 2006	March 31, 2025	March 31, 2024
1	Principal amount due to suppliers registered per the MSMED Act and remaining unpaid as at year end	26.50	5.72
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.06	0.05
3	Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during during the year	-	-
4	Amount of interest due and payable for the period of delay in making payments but without adding interest specified under MSMED Act, 2006	-	-
5	The amount of interest accrued and remaining unpaid at the end of year	0.06	0.05
6	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-

18 Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	43.35	61.89
Income Tax Provision (Net of Advance tax)	25.00	-
Advance from customers	7.35	4.36
Unearned revenue	93.80	42.17
Unpaid dividend on Preferences Shares	0.04	0.04
Total other current liabilities	**169.54**	**108.45**

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Footnotes to note 14.

As at March 31, 2025

Sr. No	Name of the bank	Type of Facility	O/s amount as period ended	Residual repayment term	Interest Rate (per annum)	Security
1	Axis Bank Ltd.	Term Loans	69.29	2 years	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 Million 3.Exclusive charge on FD of Rs. 10 Million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
2	Axis Bank Ltd.	Cash Credit	53.67	On Demand	11.25%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 Million 3.Exclusive charge on FD of Rs. 10 Million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
3	Aditya Birla Finance Limited	Term Loans	504.17	5 years	10.25%	Primary Security: 1.1st Pari passu charge by way of mortgage (if any) on all immovable fixed assets (present and future) of the Borrower (except for the land and building at Nashik and except for any future asset financed and secured exclusively by any particular lender), among all term lenders proportionately. 2. 1st Pari passu charge over all movable fixed assets (present and future) of the Borrower including all patented technology and products, proportionate to outstanding amount among all term lenders proportionately. 3. Cash Flow equivalent to Rs.2.5 Crores per month to be routed through designated account in favour of ABFL & to be maintained throughout Facility tenor. 4. 2nd Pari passu charge over entire current assets, book debts, receivables and cash flows, present and future, of the Borrower. 5. Personal Guarantees of Mr. Piyush Somani & Ms. Komal Somani. PG of Ms. Komal Somani shall be released upon submission of audited financial statement of the Borrower wherein the Borrower has achieved an EBIDTA of Rs.120 Crores in any fiscal year. 6. 3 months' (Principal + Interest) DSRA to be lien marked in favour of ABFL. 7. NACH and PDCs.
	Total		**627.12**			

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As at March 31, 2024

Sr. No	Name of the bank	Type of Facility	O/s amount as period ended	Residual repayment term	Interest Rate	Security
1	Axis Bank Ltd.	Term Loans	158.25	upto 3 years	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 Mn 3.Exclusive charge on FD of Rs. 10Mn Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
2	Axis Bank Ltd.	Open Cash Credit	-	On demand	8.75%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 Mn 3. Exclusive charge on FD of Rs. 10Mn Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. Personal Guarantee of the Piyush Somani & Sarla Somani
3	Axis Bank Ltd.	Overdraft against fixed deposit	50.31	On demand	7.50%	Primary: First and exclusive charge on the fixed deposit . Lien on Fixed Deposits of Rs 50 millions
4	State Bank of India	Overdraft against fixed deposit	66.03	On demand	7.70%	Primary: First and exclusive charge on the fixed deposit . Lien on Fixed Deposits of Rs 75 million
5	Clix Finance India Private Limited	Equipment Loan	-	-	12.50%	Primary: First and exclusive charge on the equipment financed by the lender. Lien on Fixed Deposits of Rs 2.97 million
6	SIDBI*	RLOC (Long Term Loans)	1.98	upto 8 months	10.60%	**Primary** – 1st charge by way of hypothecation on all the movables of the borrower including P&M, equipment, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures, misc. fixed assets etc. **Collateral** – 1st charge in favours of SIDBI on cash flows generated from orders to be routed through designated escrow account 1st charge in favours of SIDBI on Debt Service Reserve in form of FD to the extent of 5% of the assistance disbursed may be generally kept for meeting debt service during temporary instances of liquidity tightness. Extension of 1st charge by way hypothecation in favour of SIDBI on all movables including movable machinery, machinery spares, tools and accessories required under the previous financial assistance sanctioned to the company by SIDBI 1st charge on escrow account with minimum balance of at least 3 month's debt servicing obligations to be retained. The amount will be used as first loss guarantee and SIDBI at its discretion, would set off over dues (if any) in respect of Interest/principal/FI/PI remaining unpaid POA in favour of SIDBI for creation of residual charge in favour of SIDBI by way of mortgage on its office land & building situated at Plot No. B-24/25, Nice Industrial Area, MIDC, Satpur, Nashik – 422007.
7	Tata Capital Financial Services	Equipment Loan	15.18	upto 8 months	Ranging from 10.25% to 12.55%	Primary: Plant and Machinery purchased out of Term Loan Lien on Fixed Deposits of Rs 7.01 million
8	Piramal Structured Credit Opportunities Fund	Non-Convertible Debtenures (including accured amount for IRR thereof)	806.61	5 years 9 months	Coupoun rate 10% p.a , IRR equivalent to 15.5% p.a for first 2 years and 15% there after	The Debenture Secured Obligations, in respect of the Debentures and the performance by the Issuer of its obligations in relation thereto, shall be secured by creation and perfection of the Security Interest in favour of the Debenture Trustee for the benefit of the Debenture Holders, in the following manner: 1. Second charge over all the immovable assets (present & future) of the Issuer 2. Second charge over all movable fixed assets (present & future) of the Issuer; 3. Second charge over all present and future movable assets of the Issuer (present and future); 4. Second charge over all current assets (present & future) of the Issuer; 5. Second charge on the cash flows of the Issuer, both present and future; and 6. Second charge over all the patented technology and patented products of the Issuer; and 7. Personal Guarantee of the Piyush Somani & Sarla Somani
9	Kotak Mahindra Prime Limited	Vehicle Loan	2.82	1 Year 8 months	9.19%	Primary: Vehicle Purchased out of Loan
10	ICICI Bank Limited	Vehicle Loan	1.03	8 months	8.25%	Primary: Vehicle Purchased out of Loan
11	Indusind Bank Limited	Term Loans	33.75	2 years 6 months	9.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 Mn 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 Mn 3. Exclusive charge on FD of Rs. 25Mn 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
10	Indusind Bank Limited	Open Cash Credit	5.61	On demand	8.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 Mn 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 Mn 3. Exclusive charge on FD of Rs. 25Mn 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
12	HDFC Bank Ltd	Vehicle Loan	1.84	36 months	8.30%	Primary: Vehicle Purchased out of Loan
13	ICICI Bank Limited	Vehicle Loan	10.97	Upto 60 months	9.10 to 9.15%	Primary: Vehicle Purchased out of Loan
14	South Asia Growth Fund II Holdings	Unsecured Loan	336.04	On demand	14.00%	Corporate gurantee of holding company
	Total		**1,490.44**			

(All amounts are in Rupees Million, unless otherwise stated)

19 Income tax expense

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax	245.55	9.10
Prior year taxes	-	4.35
MAT Credit entitlement	(73.92)	-
Deferred tax	98.20	73.45
Income tax expense	**269.83**	**86.89**
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	825.94	222.99
Tax at the Indian tax rate of 27.82% (FY 2023-24 - 27.82%)	229.78	62.03
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Corporate social responsibility expenditure not allowed under taxation and Donation	0.91	0.32
Other comprehensive income	0.84	3.92
Loss from foreign subsidiaries	-	12.73
Others	38.31	7.88
Total	**40.05**	**24.85**
Net current tax expenses recognised in Statement of Profit & Loss	**269.83**	**86.89**

20 Deferred tax (net)

(a) Income tax expense

Particulars	As at March 31, 2025	As at March 31, 2024
Net Deferred tax (assets)/liabilities**	**116.49**	**56.48**
Deferred tax assets/liabilities arise from the following:		
Tax credits available:		
MAT credit receivable	**25.16**	**62.04**
Mat credit receivable ESDS Internet Services Private Limited	-	1.10
Deferred tax assets- ESDS Internet Services Private Limited		
Provision for doubtful debts, doubtful loans and advances	-	1.06
Deferred tax assets		
Gratuity & compensated absences	42.50	37.76
Provision for doubtful debts, doubtful deposits and capital advance	91.07	63.35
Lease liabilities	178.13	305.36
Income tax business loss setoff	-	53.01
Impairment of assets		
	336.86	**523.68**
Deferred tax liability		
PP&E depreciation and intangible amortization	269.06	304.64
Right use of assets	184.29	275.51
	453.35	**580.15**

**Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax (assets)/ liabilities:	As at March 31, 2025	As at March 31, 2024
Opening deferred tax (assets) / liabilities	**56.48**	**(16.49)**
Mat credit entitlement	37.98	2.11
Gratuity and compensated absences	(3.68)	(9.38)
Provision for doubtful debts, doubtful deposits and capital advance	(27.73)	(17.40)
Lease liabilities	127.23	(109.53)
Right use of assets	(91.22)	44.40
Income tax business loss setoff	53.01	101.44
PP&E depreciation and intangible amortization	(35.58)	50.68
Impairment of assets	-	10.63
Others	-	-
Closing deferred tax liability after set off	**116.49**	**56.48**

(All amounts are in Rupees Million, unless otherwise stated)

21 Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of services		
Cloud hosting and managed services	3,613.35	2,865.18
Total revenue from operations	**3,613.35**	**2,865.18**

A. Reconciliation of revenue recognised with contract price

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contract price		
Adjustments for:	3,269.88	2,392.15
Unbilled revenue	437.28	515.20
Unearned revenue	(93.80)	(42.17)
Revenue from operations	**3,613.35**	**2,865.18**

22 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest:		
Deposits with banks	39.28	34.65
Income tax refund	6.28	12.11
Profit on sale of assets	0.78	0.09
NCI loss in control	(5.69)	-
Cessation of lease liabilities	104.93	-
Unwinding of discount on security deposits	0.72	2.25
Amount Written Back	1.82	2.00
Other non-operating income	4.93	5.08
Total other income	**153.06**	**56.18**

23 Employee benefit expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	844.94	770.64
Contribution to provident and other funds	26.38	26.22
Gratuity [refer note:30]	24.67	15.75
Compensated absences	13.18	12.66
Employee stock option scheme	2.25	5.18
Other employee related costs	29.85	20.27
Total employee benefit expense	**941.27**	**850.72**

24 Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense:		
Borrowings	159.25	219.66
Lease liabilites	81.65	86.13
MSME	0.06	0.55
Other borrowing costs	4.17	3.63
Bank charges	7.37	5.77
Total finance costs	**252.49**	**315.75**

(All amounts are in Rupees Million, unless otherwise stated)

25 Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment	464.00	329.42
Amortisation of intangible assets	35.05	61.98
Amortisation of right-of-use asset	123.02	134.12
Impairment of assets		-
Total depreciation and amortisation expense	**622.06**	**525.52**

26 Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contract fulfillment costs	16.87	123.79
Project servicing cost	190.43	159.97
Rental charges	9.55	10.35
Office expenses	7.01	4.61
Travel and conveyance	40.46	32.21
Communication expenses	90.43	86.47
Contract labour charges	30.19	56.55
Corporate social responsibility expenditure	0.91	0.32
Donations	-	-
Rates and taxes	3.76	7.77
Directors sitting fees	3.54	2.24
Legal and professional charges	115.29	73.89
Loss on sale of asset (net)	-	-
Commission/Brokerage	23.52	20.33
Insurance	14.20	13.84
Advertisement and sales promotion	35.80	21.55
Power and fuel charges	197.43	137.69
Repairs and maintenance:	-	-
Computers	0.35	0.95
Others	13.31	12.30
Membership and subscription charges	206.80	164.25
Expected credit loss allowance [refer note no : 39]	99.27	55.29
Foreign exchange fluctuation loss (net)	9.09	0.69
Payment to auditors [refer note below]	3.32	2.52
Miscellaneous expenses	11.72	8.09
Total other expenses	**1,123.23**	**995.66**

Payment to auditors

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As auditor		
Statutory audit fee	1.80	0.90
Tax audit fee	0.15	0.08
Transfer pricing audit fees	0.13	0.08
In other capacity		
Fees for other services	1.24	1.47
Total payment to auditors	**3.32**	**2.52**

(All amounts are in Rupees Million, unless otherwise stated)

27 Earnings per share

a) Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company	556.11	125.72
Weighted average number of equity shares	9,53,68,874	9,28,94,185
Basic earnings per share	**5.83**	**1.35**
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company	556.11	125.72
Weighted average number of equity shares (including potential shares)	9,53,68,874	9,28,94,185
Diluted earnings per share	**5.83**	**1.35**

b)Profit reconciliation

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company used in calculating basic earnings per share	556.11	125.72
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company used in calculating basic earnings per share:	556.11	125.72
Profit attributable to equity shareholders of the Company used in calculating diluted earnings per share	**556.11**	**125.72**

(c) Weighted average number of shares used as denominator

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**9,53,68,874**	**9,28,94,185**
Weighted average number of equity shares and potential shares used as the denominator in calculating diluted earnings per share	**9,53,68,874**	**9,28,94,185**

(All amounts are in Rupees Million, unless otherwise stated)

28 Contingencies and commitments
i) Capital commitments

Particulars	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances)	296.20	6.38

ii) Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2025	March 31, 2024
Claims against the company not acknowledged as debts		
Indirect tax matters	-	19.36
Other matters [Refer iii (b)]	2.62	2.62
Department of telecommunication	-	60.07
Guarantees excluding financial guarantees		
Perfomance Bank guarantees given to customers	472.27	420.21
Other money for which the company is contingently liable		
Direct tax matters [Refer i (a)]	-	-
Indirect tax matters [Refer ii (g)]	10.09	127.23
Total	**484.98**	**629.49**

i) **Direct Tax Related Matters**

a) The company has received show cause notice for late payment/ short payment of TDS for Assessment Year (AY) 2017-18 to AY 2022-23. Also, being principal officer of the company at the time of default, prosecution proceedings u/s 276B of Income Tax Act, 1961 initiated against the directors of the comapny. The Company have received the final order u/s 279(2) of Income Tax Act,1961 on acceptance of such compounding and closure of the notice. Company had paid Rs 6.06 million in April, 2025 against this order.

ii) **Indirect Tax Related Matters**

a) In September 2022, company has received a intimation of liability under section 73(5) in Form GST DRC-01A of Rs. 72.56 million for FY 2017-18 pursuant to investigation carried by JCST(Nashik Division) on January 19, 2020.However company have received the final order for Rs. 32.76 million on July 07, 2023. Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.16.99 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 4.41 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

b) The Company has received notices under section 73(9) of SGST Act, 2017 dated November 10, 2022, where the company has wrongly availed Input Tax Credit is excess of the tax charged and paid to the Government on inward supplies effected, as reflected in auto-populated FORM-GSTR-2A for FY-17-18 amounting to total demand of Rs. 2.26 million (Basic Tax liability of Rs. 1.11 million, Interest of Rs. 1.02 million and Penalty of Rs. 0.13 million). Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.0.06 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 0.04 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

c) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2020 communicated by JCST (Nashik Division, Nashik). GST department have visited the place of buisiness of ESDS on January 19, 2020 have taken many records and statements along with them,basis there finding they have issued a notice for various different tax concerns. On January 25, 2024 company has received the final demand notice of Rs.11.56 million for FY 2018-2019. Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.9.32 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 9.22 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

d) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2021. Total Demand of Rs. 18.61 million (Interest Rs. 14.89 million and Penalty of Rs, 3.72 million) in the matter of purchases made from Infotech Systems & Technologies for FY-2019-20 for incorrect availment of input tax credit.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the similar cases.

e) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2021. Total Demand of Rs. 1.80 million (Interest Rs. 1.27 million and Penalty Rs. 0.53 million), in the matter of purchases made from Infotech Systems & Technologies for FY-2020-21.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the smiliar cases.

f) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Pvt Ltd on January 19, 2021. Total Demand of Rs. 2.59 million (GST Tax Rs. 0.55 million, Interest Rs. 1.10 million and Penalty Rs. 0.91 million), in the matter of purchases made from Neptune Traders for FY-2020-21.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the similar cases.

g) The company received the ADT-01 for FY 2020-21 and submitted the required responses to the officer time to time and final order against this Audit received on February 23, 2025 amounting to Rs.46.88 million. Against this order company filed an appeal and received the appeal order on July 31,2025 directing the company to pay Rs.10.09 million. The company is assesing the case for further appeal.

h) The audit proceedings u/s 65 (6) of MGST act were initiated. Notice in form GST ADT-01 dated January 13, 2023 were received to furnish the required books of account and recrods for the period of FY-2019-20. Company have received the final demand order on August 8, 2024 amounting to Rs. 82.91 million. Company had filed an appeal against this order and received the Appeal order on March 25, 2025 in which proper officer directed the company to pay Rs.36.81 million. Against such order company filed an amensty application for waiver on March 25, 2025 of interest and penalty in the appeal order amounting to Rs. 27.55 million for which closure order received on June 27, 2025 and balance as paid by challans.Thus this order is closed.

iii) **Other Matters**

a) In 2022, Mr Rajeev Papneja an ex-employee of the company has filed the petition in Bombay high court alleging that an oral contract was agreed with the company for issuance of certain number of shares under ESOP owing to services rendered by him to the company, claim amounting to Rs. 184.80 million. The company has filed an application before the bombay high court challenging its jurisdiction to adjudicate the matter.
The company does not foresee any probable outflow in the matter and accordingly has not specifically disclosed the quantum under contingent liability.

b) In Feb 2022, Company has received a legal notice from Sara Infoway ITES India for non-payment of outstanding dues of Rs. 15.38 million (including interest @ 18% p.a. of Rs 2.34 million/-). Additionally, an amount of Rs. 0.30 million /- is being sought as advocate fee for serving the legal notice.
As per books of accounts of the Company, outstanding dues of Rs. 13.06 million are being reflected. As of now, the company is carefully reviewing the vendor's claims and assessing its legal obligations in this matter. The company is actively exploring options for resolving the dispute, which may include negotiations, seeking legal advice, or pursuing a settlement to mitigate any financial impact.

(All amounts are in Rupees Million, unless otherwise stated)

29 Related party transactions

Other Related Parties With Whom The Company And Its Subsidiaries Had Transactions:

Related Party	Relation
Para 9(a)(ii): Individuals having Significant influence over Reporting Entity(RE)	
Piyush Somani	Chairman and Managing Director
Relatives of such individuals:	
Pooja Somani	Sister of Chairman and Managing Director
Prajakta Somani Jadhav	Sister of Chairman and Managing Director
Para 9(a)(iii): Individuals who are KMP of RE or KMP of Parent of RE	
Piyush Somani	Chairman and Managing Director
Komal Somani	Whole Time Director (w.e.f July 28, 2021)
Alipt Sharma (on behalf of GECC)	Nominee Director (from June 4, 2018; till February 4, 2025)
Sandeep Mehta	Chief Financial Officer (From April 6, 2020 ; till May 19, 2022)
Nadukuru Sita Ramiah	Chief Financial Officer (From October 31, 2022)
Aniket Khandelwal	Compliance Officer and Company Secretary (From August 6, 2021 till June 15, 2022)
T.G. Dhandapani	Independent Director (from July 28, 2021)
Venkatesh Natrajan	Independent Director (from July 01, 2023)
Pamela Kumar	Independent Director (from July 27, 2021)
Prasad Deokar	Compliance Officer and Company Secretary (From July 13, 2022)
Jitendra Pathak	Additional Director (w.e.f. February 4, 2025)
Para 9(b)(vi):Individual RP as per Para 9a has control/JC over another entity	
Great Ideas in Action LLP	Komal Somani: Designated partner
Resvera Wines Limited	Komal Somani: Director
Para 9(b)(vii): Individual RP as per Para 9a has significant influence over other entity	
Hyperslice Limited	Piyush Somani - Shareholder
Bod Host Limited	Piyush Somani - Shareholder

(All amounts are in Rupees million, unless otherwise stated)

29 Related party transactions

Disclosure Of Transactions Between The Group And Related Parties And The Status Of Outstanding Balances As At March 31, 2025

Nature of transactions	Transaction For the period	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024
A) Salaries and allowances		
i) KMP		
Prasad Deokar	1.40	1.12
Nadukuru Sita Ramiah	7.14	6.37
Jitendra Pathak	9.79	-
ii) Relatives of KMP		
Prajakta Somani Jadhav	2.50	2.33
Pooja Somani	1.14	0.15
B) Director remuneration		
Komal Somani	5.43	4.57
Piyush Somani	10.78	8.38
C) Director sitting fees		
T.G. Dhandapani	1.37	0.76
Pamela Kumar	0.95	0.74
Venkatesh Natrajan	1.23	0.51
D) Professional Fees		
T.G. Dhandapani	0.12	-
Venkatesh Natrajan	0.12	-
Total	**41.96**	**24.93**

II Outstanding receivable/(payable) balances

Nature of transactions	Outstanding Balances for period ended	
	As at March 31, 2025	As at March 31, 2024
A) Payables towards salary / managerial remuneration		
i) KMP		
Piyush Somani	-	0.64
Komal Somani	-	0.34
Prasad Deokar	-	0.11
Nadukuru Sita Ramiah	-	0.73
Jitendra Pathak	-	-
ii) Relatives of KMP		
Prajakta Somani Jadhav	-	0.35
Pooja Somani	-	0.10
B) Director Sitting Fees Payable		
T.G. Dhandapani	0.32	-
Pamela Kumar	0.28	-
Venkatesh Natrajan	0.32	-
C) Payables		
i) Individuals having control over another entity		
Great Ideas in Action LLP	0.63	0.63
Total	**1.56**	**2.90**

*ESDS Internet Services Private Limited ceased to be subsidiary as on August 29, 2024.
**Prasad Deodar and Jitendra Pathak who are KMPs were granted 30,000 and 50,000 Emplyee Stock Options under the Employee Stock Option Scheme, 2024

III Compensation to KMP

Particulars	Transaction For the period	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Short term employee benefits*	34.54	20.44

*Represents contribution to provident and superannuation funds. As Gratuity expense is based on actuarial valuations, the same cannot be computed for individual employees and hence not included.

IV Terms and conditions for outstanding balances - All outstanding balances are unsecured and payable in cash.

(All amounts are in Rupees million, unless otherwise stated)

30 Employee benefit obligations

A. Defined contribution plans :

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company has no obligation other than to make the specified contribution. The contribution is charged to Statement of Profit and Loss as it accrues. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to Rs.13.10 million (FY 2024: 25.98 million) and other funds to Rs.0.12 million (FY 2024: 0.24 million).
Contribution to Defined Contribution Plans recognised as expense for the period ended are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Employers contribution to provident and other funds	26.38	26.22
Total	**26.38**	**26.22**

B Defined benefit plan

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. 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 a non-funded plan and the Company makes gratuity payments to employees.

(a)

Movements in the present value of the defined obligation are as follows:	As at March 31, 2025	As at March 31, 2024
Obligation at the beginning of the year	**77.03**	**53.20**
Transfer In / (out)		
Past Service Cost		
Current service cost	19.47	16.35
Interest expense	5.20	3.78
Curtailment Cost/(Credit)		
Settlement Cost/(Credit)		
Actuarial losses (gains) arising from change in financial assumptions	4.63	2.19
Benefits paid	(9.65)	(6.00)
Actuarial losses (gains) arising from experience adjustments	(1.61)	7.52
Liability at the end of the year	**95.07**	**77.03**

(b)

Change in fair value of plan assets	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year	**-**	**-**
Interest income	-	-
Transfer In / (Out)	-	-
Benefits paid	-	-
Expected Return on plan assets	-	-
Contributions	-	-
Morality Charges and Taxes	-	-
Actuarial Gain / (Loss) on Plan Assets	-	-
Fair value of plan assets at the end of the year	-	-

(c)

The net liability disclosed above relates to funded and unfunded plans are as follows:	As at March 31, 2025	As at March 31, 2024
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Deficit of funded plans	**-**	**-**
Unfunded plans	95.07	77.03
Deficit of Gratuity Plan	**-**	**-**

(d) **Expenses recognized in the Statement of Profit and Loss under employee benefit expenses.**

Particulars	As at March 31, 2025	As at March 31, 2024
Service cost	19.47	16.35
Net interest (income)/expense	5.20	3.78
Past Service Cost	-	-
Expected return on plan assets	-	-
Settlement cost/(credit)	-	-
Transfer In/(Out)	-	-
Net actuarial (Gain)/loss recognised in the year	-	-
Net gratuity cost	**24.67**	**20.13**

(e) **Expenses recognized in statement of other comprehensive income:**

Remeasurement	As at March 31, 2025	As at March 31, 2024
Remeasurement for the year - obligation (Gain)/Loss	3.02	9.71
Return on plan assets excluding amount included in net interest on net defined liability/(asset) above	-	-
(Return) / loss on plan assets excluding amounts recognised in interest (income)/expenses	-	-
(Gain)/loss from change in demographic assumptions	-	-
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**3.02**	**9.71**

(All amounts are in Rupees million, unless otherwise stated)

(f) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:	As at March 31, 2025	As at March 31, 2024
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	6.75%	7.10%
Rate of growth in compensation level	7.00%	7.00%
Expected average remaining working lives of employees (in years)	60 years	60 years
Attrition rate	5% to 1%	5% to 1%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

Sensitivity analysis
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	Defined benefit obligation	
	As at March 31, 2025	As at March 31, 2024
(i) 1% increase in discount rate	82.63	66.88
(ii) 1% decrease in discount rate	110.18	89.38
(iii) 1% increase in rate of salary escalation	109.98	89.26
(iv) 1% decrease in rate of salary escalation	82.55	66.78
(v) 1% increase in rate of withdrawal	94.76	77.13
(iv) 1% decrease in rate of withdrawal	95.41	76.91

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to the defined benefits plan in future year:

Particulars	March 31, 2025	March 31, 2024
Year 1	2.00	1.64
Year 2	3.10	2.64
Year 3	3.25	2.55
Year 4	2.88	2.62
Year 5	3.65	2.43
Year 6 to 10	12.68	8.14

Liability Risks

Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. 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 increasing risk.

Asset Risks

The Group does not have any investment in plan assets, as the gratuity plan is a non funded plan. In case of any liability arises on account of gratuity, the group will pay off the amount from the available sources of funds.
The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

(All amounts are in Rupees Millions, unless otherwise stated)

31 Fair value measurements
Financial instruments by category

Particulars	March 31, 2025		March 31, 2024	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Non- current financial assets				
Investments in Mutual Funds	42.76	-	-	-
Term deposits with maturity more than 12 months from reporting date including interest	-	85.70	-	58.81
Security deposits	-	33.28	-	37.60
Other receivables (TDS reimbursements)		3.23		5.75
Current financial assets				
Trade receivables	-	997.56	-	690.03
Term deposits with maturity of less than 12 months from reporting date including interest		366.61		506.44
Cash and cash equivalents	-	606.80	-	22.47
Other bank balances	-	-	-	-
Unbilled revenue	-	437.28	-	515.20
Other current financial assets				
Security deposits	-	60.76	-	41.40
Loan to subsidiaries	-	-	-	-
Other loans and advances	-	0.20	-	0.20
Other receivables	-	-	-	28.60
Total financial assets	**42.76**	**2,591.42**	**-**	**1,906.50**
Financial liabilities				
Non-current financial liabilities				
Non-current borrowings	-	405.97	-	847.73
Lease liabilities	-	499.89	-	933.12
Other non-current financial liabilities				
Capital creditors	-	-	-	-
Current financial liabilities				
Current borrowings	-	221.16	-	642.71
Lease liabilities	-	140.40	-	164.49
Trade payables	-	290.26	-	232.90
Other current financial liabilities				
Capital creditors	-	366.16	-	14.63
Interest accrued but not due on borrowings	-	-	-	0.22
Accrued employee liabilities	-	17.16	-	74.63
Other Payables	-	11.80	-	11.71
Total financial liabilities	**-**	**1,952.79**	**-**	**2,922.14**

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.
The fair value of the financial assets and liabilities is 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 management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31 , 2025

	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at Fair value through Profit or Loss				
i) Investment in Mutual Fund	42.76	-	-	**42.76**
Measured at amortised cost				
Term deposits with maturity more than 12 months from reporting date including interest	-	-	85.70	**85.70**
Security deposits	-	-	33.28	**33.28**
Other receivables (TDS reimbursements)	-	-	3.23	**3.23**
Current financial assets				
Trade receivables	-	-	997.56	**997.56**
Term deposits with maturity of less than 12 months from reporting date including interest			366.61	**366.61**
Cash and cash equivalents	-	-	606.80	**606.80**
Other bank balances	-	-	-	**-**
Unbilled revenue	-	-	437.28	**437.28**
Other current financial assets				**-**
Security deposits	-	-	60.76	**60.76**
Loan to subsidiaries	-	-	0.20	**0.20**
Other loans and advances	-	-	-	**-**
Other receivables				
Total financial assets	**42.76**	**-**	**2,591.42**	**2,634.18**
Financial liabilities				
Measured at amortised cost				
Non-current financial liabilities				
Non-current borrowings	-	-	405.97	**405.97**
Lease liabilities	-	-	499.89	**499.89**
Other non-current financial liabilities				
Capital creditors	-	-	-	**-**
Debt component of compound financial instruments	-	-	-	**-**
Current financial liabilities				
Current borrowings	-	-	221.16	**221.16**
Lease liabilities	-	-	140.40	**140.40**
Trade payables	-	-	290.26	**290.26**
Other current financial liabilities				
Capital creditors	-	-	366.16	**366.16**
Interest accrued but not due on borrowings	-	-	-	**-**
Accrued employee liabilities	-	-	17.16	**17.16**
Other Payables	-	-	11.80	**11.80**
Total financial liabilities	**-**	**-**	**1,952.79**	**1,952.79**

As at March 31 , 2024

Financial assets and liabilities measured at amortised cost	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at amortised cost				
Investments in subsidiaries				**-**
Term deposits with maturity more than 12 months from reporting date including interest	-	-	58.81	**58.81**
Security deposits	-	-	37.60	**37.60**
Other receivables (TDS reimbursements)	-	-	5.75	**5.75**
Current financial assets	-	-	-	**-**
Current financial assets				**-**
Trade receivables	-	-	690.03	**690.03**
Term deposits with maturity more than 12 months from reporting date including interest			506.44	**506.44**
Cash and cash equivalents	-	-	22.47	**22.47**
Other bank balances	-	-	-	**-**
Unbilled revenue	-	-	515.20	**515.20**
Other current financial assets			-	**-**
Security deposits	-	-	41.40	**41.40**
Loan to subsidiaries	-	-	-	**-**
Other loans and advances	-	-	0.20	**0.20**
Other receivables	-	-	28.60	**28.60**
Total financial assets	**-**	**-**	**1,906.50**	**1,906.50**
Financial liabilities				
Measured at amortised cost				
Non-current financial liabilities				
Non-current borrowings	-	-	847.73	**847.73**
Lease liabilities	-	-	933.12	**933.12**
Other non-current financial liabilities				
Capital creditors	-	-	-	**-**
Debt component of compound financial instruments	-	-	-	**-**
Current financial liabilities				
Current borrowings	-	-	642.71	**642.71**
Lease liabilities	-	-	164.49	**164.49**
Trade payables	-	-	232.90	**232.90**
Unearned revenue	-	-	-	**-**
Other current financial liabilities				
Capital creditors	-	-	14.63	**14.63**
Interest accrued but not due on borrowings	-	-	0.22	**0.22**
Accrued employee liabilities	-	-	74.63	**74.63**
Other Payables	-	-	11.71	**11.71**
Total financial liabilities	**-**	**-**	**2,922.14**	**2,922.14**

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. The sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities does not have a significant impact on their value. There were no transfers between Level 1, Level 2 and Level 3 during the year.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
All of the resulting fair value estimates are included in Level 2 except for unlisted preference shares where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

iii) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

(All amounts are in Rupees Millions, unless otherwise stated)

32 Financial risk management

The Company's principal financial liabilities comprises of borrowings, lease liabilities , trade and other payables (including capital creditors). The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans given, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to the following risks from the use of financial instruments:
(a)credit risk,
(b) liquidity risk, and
(c) market risk,
(i)foreign currency exchange risk, and
(ii) interest rate risk.
The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

(a) Credit Risk
The Company is exposed to credit risk as a result of counterparties defaulting their obligations. The Company's exposure to credit risk primarily relates to trade receivables. The Company monitors and limits its exposure to credit risks on a reasonable basis. The Company's credit risk is associated with Trade Receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, the Company Yearically reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.
Financial instruments that are subject to such risks, principally consist of trade receivables,contract assets such as unbilled revenue, loans to subsidiaries, security deposits and cash and bank balances. None of the financial instruments of the Company results in material concentration of credit risk.

• Trade receivables/contract assets

Customer credit risk is managed by the Company subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.
An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, "Financial Instruments" which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.
To measure the expected credit loss, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Company has therefore concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.
The historical rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

Reconcilation of loss allowance and credit impairment provisions

Particulars	Amount
Loss allowance on March 31, 2023	**182.25**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the Year	(18.95)
:Provision for the Year	55.29
:Recovery of Bad Debts	13.52
Loss allowance on March 31, 2024	**232.11**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the Year	(4.00)
:Provision for the Year	99.27
:Recovery of Bad Debts	-
Loss allowance on March 31, 2025	**327.37**

Loss allowance matrix

Ageing Bucket	% of ECL
<= 60 days	0.00%
61 to 90 days	25.00%
91 to 180 days	30.00%
181 to 365 days	50.00%
Above 365 days	100.00%

(b) Liquidity Risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The Company monitors and manages the liquidity risk to ensure acces to sufficient fund to meet operational and financial requirements. The Company has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the Company's liquidity risk , the Company's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due , under both normal and stressed conditions without incurring unacceptable losses.

The table below analyzes the Company's financial liabilities into relevent maturity groupings based on their contractual maturities.

March 31, 2025	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	341.80	64.17	405.97
Lease liabilities	-	272.03	227.86	499.89
Current financial liabilities				
Current borrowings	221.16	-	-	221.16
Lease liabilities	140.40	-	-	140.40
Trade payables	290.26	-	-	290.26
Capital creditors	366.16	-	-	366.16
Accrued employee liabilities	17.16	-	-	17.16
Other Payables	11.80	-	-	11.80
Total	**1,046.94**	**613.83**	**292.03**	**1,952.79**

March 31, 2024	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	160.50	687.23	847.73
Lease liabilities	-	191.26	741.86	933.12
Current financial liabilities				
Current borrowings	642.71	-	-	642.71
Lease liabilities	164.49	-	-	164.49
Trade payables	232.90	-	-	232.90
Other current financial liabilities	-	-	-	-
Capital creditors	14.63	-	-	14.63
Interest accrued but not due on borrowing	0.22	-	-	0.22
Accrued employee liabilities	74.63	-	-	74.63
Other Payables	11.71	-	-	11.71
	1,141.30	**351.76**	**1,429.09**	**2,922.14**

(c) Market risk

Market risk is the risk of any loss in the future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change due to change in interest rates, foreign currency exchange rates, liquidity, and other market changes. Future specific market movements cannot be market predicted with reasonable accuracy.

(i) Foreign currency exchange rate risk

The Company deals with receivables from customers and payables to vendors. It is therefore exposed to foreign exchange risk associated with exchange rate movements.The foreign exchange rate fluctuations do not have any material impact on the profitability of the Company as such exports and foreign currency expenditure is negligible in totality.
There are no forward exchange contracts which have been entered into by the Company as on the reporting dates.

Details of foreign currency exposures that are not hedged by a derivatives instrument or otherwise:

Particulars	March 31, 2025	March 31, 2024
Receivables (asset)		
USD	0.02	0.02
GBP	0.07	0.07
EUR	-	-
Payables (liability)		
USD	0.02	0.02
AED	-	-
GBP	-	-
Loan (given)		
USD	0.04	0.04
AED	-	-
GBP	-	-

(ii) Interest rate risk

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

Interest rate exposure : The exposure of the Company's borrowings to interest rate changes at the end of the reporting Year are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on variable rate borrowings	159.25	219.66

Sensitivity analysis

Profit or loss to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
If interest rates -		
Increase by 1%	1.59	2.20
Decrease by 1%	(1.59)	(2.20)

(All amounts are in Rupees million, unless otherwise stated)

33 Share based payments

1 ESOP Scheme 2021

(a) Description of share based payment arrangements

On August 9, 2021, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2021. These options are granted to eligible employees of The Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of Rs. 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of The Company for every option. Options will be available for vesting upon successful completion of service durinng the vesting Year. The options were granted on August 30, 2021.

Vesting conditions

Options can be exerscised within 4 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
30 August 2022	50%
30 August 2023	20%
30 August 2024	20%
30 August 2025	10%

(b) Measurement of fair values

Vesting	Exerscise price	Expected volatility	Risk free rate	Expected life	Weighted average fair value as on grant date	Method of valuation
30 August 2022	65	20.33%	5.65%	3 to 6 years	10.60	Black – Scholes Model
30 August 2023	65	20.33%	5.65%	3 to 6 years	13.38	Black – Scholes Model
30 August 2024	65	20.33%	5.65%	3 to 6 years	15.96	Black – Scholes Model
30 August 2025	65	20.33%	5.65%	3 to 6 years	18.35	Black – Scholes Model

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employee stock ownership plan expense	1.48	5.18

The carrying amount of the liability relating to the Employee Stock Ownership Plan at March 31, 2025 was Rs.17.55 million (March 31, 2024: Rs. 16.07 million)

(d) Reconciliation of outstanding share options

The number share options under the share option scheme are as follows

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Options outstanding as at the beginning of the Year	12,77,000	13,75,000
Add: Options granted during the year		
Less: Options forfeited and expired during the Year	1,34,000	98,000
Less: Options exercised during the Year	1,45,860.00	
Options outstanding as at the Year end	**9,97,140**	**12,77,000**
Exercisable at the end of the year	8,88,240	8,93,900

(All amounts are in Rupees million, unless otherwise stated)

33 Share based payments
2 ESOP Scheme 2024
(a) Description of share based payment arrangements

On December 6, 2024, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2024. These options are granted to eligible employees of The Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of Rs. 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of The Company for every option. Options granted under the Plan shall vest within a specified time period or on achievement of certain performance milestones or both subject to a minimum Vesting Period of 1 (one) year. The options were granted on February 28, 2025.

Vesting conditions
Options can be exercised within 3 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
March 1, 2026	10%
March 1, 2027	30%
March 1, 2028	40%
March 1, 2029	20%

(b) Measurement of fair values

Vesting	Exerscise price	Expected volatility	Risk free rate	Expected life (in years)	Weighted average fair value as at grant date	Method of valuation
March 1, 2026	225	18.45%	6.56%	2.5	44.83	Black – Scholes Model
March 1, 2027	225	20.03%	6.59%	3.5	58.56	Black – Scholes Model
March 1, 2028	225	20.09%	6.64%	4.5	69.71	Black – Scholes Model
March 1, 2029	225	22.93%	6.69%	5.5	83.73	Black – Scholes Model

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee stock ownership plan expense	0.77	-

There were 10,000 ESOP cancellations and no modifications to the options in the period ended March 31, 2025

The carrying amount of the liability relating to the Employee Stock Ownership Plan as at March 31, 2025 was Rs.0.77 million.

(d) Reconciliation of outstanding share options
The number share options under the share option scheme are as follows

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	20,60,000	-
Less: Options forfeited and expired during the year	10,000	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	20,50,000	-
Exercisable at the end of the year	-	-

(All amounts are in Rupees Million, unless otherwise stated)

34 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximize brand value.

The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions.
The Company monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting Year was as follows.

Particulars	As at March 31, 2025	As at March 31, 2024
Debt*	627.12	1,490.44
Cash and bank balances	(606.80)	(22.47)
Net debt	**20.33**	**1,467.96**
Shareholders' funds		
Equity share capital	100.43	92.89
Reserves and surplus	3,999.51	2,079.74
Total equity	**4,099.94**	**2,172.64**
Net debt to equity ratio	**0.00**	**0.68**
Total Debt to equity ratio	**0.15**	**0.69**

*** includes current maturity of long term borrowing**

35 Micro, Small and Medium Enterprises Development Act, 2006

As per the information available, the management has not received information from some of their suppliers for the year ended March 31, 2025 confirming that they are covered under Micro, Small and Medium Enterprises Development Act, 2006. In Management's view, the impact of any interest that may be payable (in accordance with the provisions of the Micro, Small and Medium Enterprise Development Act, 2006) on delayed payments to its micro or small suppliers is not expected to be significant.

36 Segment Information

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

The Company has identified business segment as its primary segment. In accordance with Indian Accounting Standard 108 - Segment Reporting, the Company has determined its business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker ("CODM"). Since the entire Company's business is from information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2025 and for the year ended March 31, 2024.

The secondary segment by geographical segments is provided below based on location of customers:

The Group has identified India and Rest of the world as geographical segments for secondary segmental reporting. Geographical sales are segregated based on the location of the customer who is invoiced or in relation to which the sale is otherwise recognized. Assets other than receivables used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as these are used interchangeably between segments.

Geographical	Sales and Services		Total Assets	
Segment	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
India	2,743.37	2,713.75	5,443.91	4,419.23
Outside India	869.98	151.43	453.16	62.81
Total	**3,613.35**	**2,865.18**	**5,897.07**	**4,482.04**

Information about major customers:

During year ended March 31,2025 there is one customer Gazprom Bank who have contributed Rs.728.78 million (20.36%) and there is no single external customer which contributes more than 10% to the revenue for the year ended March 31, 2024.

37 Exceptional Items:

a) As per report dated July 30, 2024 of the GST audit conducted by Karnataka GST Department, Wrong availment and utilization of excess input tax credit of Rs.0.12 million due to the incorrect ITC claimed In 3B vis-a-vis as available in GSTR-2A and Wrong availment and utilization of excess input tax credit of Rs.0.22 million in terms of Section 16(2) of KGST Act,2017 charged on the company. These exceptional items, totaling Rs. 0.34 million, have been recognized in the financial statements for the year endded as at March 31, 2025, impacting the income statement. Company also paid Rs.1.65 million against Demand order for FY 2020-2021 of Karnataka Department and recognized as cost.

b) Company had paid liability against the appeal order for FY 2017-2018, FY 2019-2020 and FY 2020-2021 aggregating to amounting to Rs. 16.41 million during March 2025. Company has also reversed the provision of interest on GST already provided against these order amounting to Rs.16.99 million.

c) During the Financial Year 2023-24, the Company encountered exceptional circumstances which significantly impacted its financial position. As part of these occurrences, the Company disbursed an amount of Rs. 1.87 million for the resolution of pending dues under the VAT amnesty scheme, pertaining to the financial years 2014-15, 2016-17, and 2017-18. Additionally, an amount receivable from the VAT Department, totaling Rs. 3.28 million, was deemed irrecoverable and consequently written off during the same period.These exceptional items, totaling Rs. 5.15 million, have been recognized in the financial statements for the year ended 2024, impacting both the income statement and the balance sheet.

d) On July 7, 2023, the Company received a notice from the CGST Department under section 73(5), indicating the Department's belief that the Company should reverse Input Tax Credit (ITC). In response, the Company filed an appeal against this notice. As part of the appeal process, the Company incurred expenses totaling Rs. 1.40 million as appeal fees.Given the uncertain nature of the outcome of the appeal and the potential impact on the Company's financial position, these expenses have been treated as exceptional items in the financial statements for the year ended 2024.

e) During the Fiscal Year 2023-24, the Company received a notice from the Maharashtra State Electricity Distribution Company Limited (MSEDCL) indicating a penalty of Rs. 4.18 million. The penalty was imposed on the Company due to erroneous availment of subsidies from 2016 until the current year.In response to the notice and to resolve the matter, the Company opted to settle the penalty amount, resulting in an expenditure of Rs. 4.18 million during the year.Management acknowledges the exceptional nature of this expense, considering it as a one-time event that significantly impacted the Company's financial results for the period. The settlement of this penalty has been disclosed separately in the financial statements for the year ended 2024, under exceptional items, to provide transparency regarding its impact on the Company's financial position.

(All amounts are in Rupees million, unless otherwise stated)

38 Interests in other entities

38.a Subsidiaries

The group's subsidiaries at March 31, 2025 and March 31,2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non controlling interest	
		As at March 31, 2025	As at March 31,2024	As at March 31, 2025	As at March 31,2024
ESDS Internet Services Private Limited**	India	0%	50%	0%	50%
ESDS Cloud FZ LLC*	UAE	100%	100%	-	-
Spochub Solutions Private Limited	India	100%	100%	-	-
ESDS Global Software Solution Inc*	USA	100%	100%	-	-

*Subsidiary Company having 31st December as reporting date.

****** On August 29, 2024, the company fully sold its investment in ESDS Internet Services Private Limited at the face value of the shares. As a result, ESDS Internet Services Private Limited ceased to be a subsidiary of the company on that date. As of March 31, 2024, the subsidiary's total assets amounted to Rs. 388.38 million, and its total revenue was Rs. 68.83 million. The company's director subsequently resigned from their position as a director of the subsidiary as on August 29, 2024.

38.b Non controlling interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations. NCI as on March 31, 2025 is Nil as company have sold the investment in subsidiary on 29th August 2024.

Summarised balance sheet	ESDS Internet Services Private Limited	
	As at March 31, 2025	As at March 31, 2024
Current assets	-	54.42
Current liabilities	-	51.71
Net current assets	-	**2.71**
Non-current assets	-	333.96
Non-current liabilities	-	324.82
Net non-current assets	**-**	**9.14**
Net assets	**-**	**11.85**
Accumulated NCI	-	5.92

Summarised statement of profit and loss	ESDS Internet Services Private Limited	
	As at March 31, 2025	As at March 31, 2024
Revenue	0.03	0.12
Profit for the year	(0.17)	20.75
Total comprehensive income	**(0.17)**	**20.75**
Profit allocated to NCI	(0.09)	10.38

*Company have sold its investment in ESDS Internet Services Private Limited on August 29, 2024 thus only profit/loss by that day is considered.

Summarised cash flows	ESDS Internet Services Private Limited	
	As at March 31, 2025	As at March 31, 2024
Cash flows from operating activities	-	(5.47)
Cash flows from investing activities	-	69.68
Cash flows from financing activities	-	(68.84)
Net increase/ (decrease) in cash and cash equivalents	-	(4.63)

(All amounts are in Rupees Millions, unless otherwise stated)

39 Ageing Schedule

a) Trade Receivables

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	978.22	164.10	84.73	17.89	64.35	(311.72)	997.56
Trade Receivables-Credit Impaired	-	-	-	-	-	15.65	(15.65)	-
Total Trade Receivables	**-**	**978.22**	**164.10**	**84.73**	**17.89**	**80.00**	**(327.37)**	**997.56**
Unbilled Receivable	437.28	-	-	-	-	-	-	437.28
Total Trade Receivables - Billed and Unbilled								**1,434.84**

Outstanding for following period from the date of transaction as at March 31, 2024

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	687.34	107.47	39.74	11.12	56.74	(212.38)	690.03
Trade Receivables-Credit Impaired	-	-	-	-		15.65	(15.65)	-
Total Trade Receivables	**-**	**682.75**	**107.47**	**39.74**	**11.12**	**72.39**	**(228.03)**	**690.03**
Unbilled Receivable	515.20	-	-	-	-	-	-	515.20
Total Trade Receivables - Billed and Unbilled								**1,205.23**

b) Trade Payables

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Provision for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	26.36	0.13	-	0.01	-	26.50
Others	55.56	143.22	27.68	0.02	-	11.60	238.08
Disputed- Others	-	-	-	25.68	-	-	25.68
Total	**55.56**	**169.58**	**27.81**	**25.70**	**0.01**	**11.60**	**290.26**

Outstanding for following period from the date of transaction as at March 31, 2024

Particulars	Provision for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	5.72	-	-	-	-	5.72
Others	28.89	122.56	11.23	4.58	0.23	19.00	186.50
Disputed- Others	-	40.68	-	-	-	-	40.68
Total	**28.89**	**168.96**	**11.23**	**4.58**	**0.23**	**19.00**	**232.90**

ESDS Software Solution Limited
Notes Forming Part of Separate Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees millions, unless otherwise stated)

40 Additional Disclosure by Schedule III

	Parent		Subsidiaries									
			Indian				Foreign					
Name of the entities in the Group	**ESDS Software Solution Limited**		**ESDS Internet Services Private Limited**		**Spochub Solutions Private Limited**		**ESDS Cloud FZ LLC**		**ESDS Global Software Solution Inc**		**Total**	
Particulars	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**
Net assets (total assets minus total liabilities)												
March 31, 2025	101.12	4,531.65	-	-	0.00	0.12	(0.86)	(38.75)	(0.26)	(11.69)	100.00	4,481.33
March 31, 2024	111.59	2,553.12	0.52	11.85	0.01	0.18	(11.60)	(265.44)	(0.51)	(11.69)	100.00	2,288.03
Share in profit or (loss)												
March 31, 2025	107.17	607.57	(0.03)	(0.17)	(0.00)	(0.02)	(7.14)	(40.46)	-	-	100.00	566.92
March 31, 2024	131.58	164.83	16.56	20.75	(0.02)	(0.02)	(48.13)	(60.29)	-	-	100.00	125.27
Share in other comprehensive income												
March 31, 2025	17.40	(2.18)	-	-	-	-	82.60	(10.33)	-	-	100.00	(12.51)
March 31, 2024	125.70	31.96	-	-	-	-	(25.70)	(6.54)	-	-	100.00	25.43
Share in total comprehensive income												
March 31, 2025	109.20	605.40	(0.03)	(0.17)	(0.00)	(0.02)	(9.16)	(50.79)	-	-	100.00	554.41
March 31, 2024	130.59	196.79	13.77	20.75	(0.01)	(0.02)	(44.35)	(66.83)	-	-	100.00	150.69

* Above disclosure contains figures prior to intra group transactions. Company have sold its investment in ESDS Internet Services Private Limited on August 29, 2024 thus only profit/loss by that day is considered.

(All amounts are in Rupees millions, unless otherwise stated)

41 Additional Regulatory Requirements-Ratios

	Ratios		As at March 31, 2025			As at March 31, 2024			
Sr.No.	Particulars	Formulae used for calculation of ratio	Numerator	Denomintor	Ratio	Numerator	Denomintor	Ratio	% Change in Ratio
a)	Current ratio	Current Assets/Current Liabilities	2,835.78	1,220.04	2.32	2,126.71	1,252.89	1.70	36.93%
b)	Debt-Equity Ratio	(Non-current borrowings+ Current borrowings)/Total Equity	627.12	4,175.81	0.15	1,490.44	2,265.09	0.66	-77.18%
c)	Debt Service Coverage Ratio	^EBIDTA/Current Debt obligation	1,548.85	221.16	7.00	1,018.80	642.71	1.59	341.81%
d)	Return on Equity Ratio	Profit after tax /Average Shareholders Equity	556.11	3,220.45	17.27%	136.10	2,183.31	6.23%	177.02%
e)	Trade Receivables turnover ratio	Revenue from operations/Average trade receivables	3,613.35	843.80	4.28	2,865.18	630.69	4.54	-5.74%
f)	Trade payables turnover ratio	(Purchase of goods + Other expenses)/Average trade payables	1,123.23	261.58	4.29	995.66	255.02	3.90	9.98%
g)	Net capital turnover ratio	Revenue from operations/(Current assets- Current liabilities)	3,613.35	1,615.73	2.24	2,865.18	873.82	3.28	-31.80%
h)	Net profit ratio	Profit after tax/ Revenue from operations	556.11	3,613.35	0.15	136.10	2,865.18	4.75%	224.00%
j)	Return on capital employed	^^EBIT /Average Capital employed	1,079.85	4,365.71	24.73%	549.47	3,780.91	14.53%	70.20%

^ EBITDA : Profit /(loss) before exceptional items + Finance Cost + Depreciation and Amortization - Other Income
^^ EBIT : Profit /(loss) before exceptional items + Finance Cost

Reasons for Change more than 25% from previous year
a)**Debt to Equity Ratio:** Debt to equity ratio has decreased as company have paid the Non-current borrowings during the year resukting in lower debts also company equity have
b)**Debt Service Coverage Ratio** :Increase in earnings before tax due to better revenue and decrease in the finance costs and current debt lead to better debt service coverage ratio.
c)**Return on Equity Ratio** :Profits as compared to previous year have increased more as compared to increase in shareholder's funds.
d)**Net profit ratio :**Increase in net profits due to better management and reduction in costs lead to higher net profit ratio in comparison with previous year.
e)**Return on capital employed:** Increase in earnings before interest and tax and consistent capital employed lead to better return on capital employed.

ii) Borrowings obtained on the basis of security of current assets
The company has filed quarterly returns or statements with the banks in lieu of the sanctioned working facilities,there is no material differences.

42 Events After the Reporting Period
Pursuant to **Ind AS 10 – Events after the Reporting Period**, the Company has evaluated events occurring subsequent to the reporting date and has identified the following material non-adjusting events:

i) On May 26,2025, the Company sold 200 equity shares of Rs. 10 each of Spochub Solutions Private Limited to Piyush Somani. Hence, Spochub Solutions Private Limited ceased to be a wholly owned subsidiary of the company and holding in the subsidiary is reduced to 99.00%.

ii) The company received the ADT-01 for FY 2020-21 and submitted the required responses to the officer time to time and final order against this Audit received on February 28, 2025 amounting to Rs.46.88 million. Against this order company filed an appeal and received the appeal order on July 31,2025 directing the company to pay Rs.10.09 million.

43 Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

i) Title deeds of Immovable Property are in the name of company wherever applicable

ii) Details of Benami Property and its proceedings- Not applicable as there are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

iii) Wilful Defaulter - The company has not been declared wilful defaulter by bank or financial institution or government or any government authority.

iv) Relationship with Struck off Companies -As per section 248 of the Companies Act, 2013 or section 560 of Companies Act,1956 ,there are no balances outstanding with struck off companies

v) Compliance with number of layers of companies - Not Applicable as the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

vi) Compliance with approved Scheme(s) of Arrangements - Not Applicable as the Company has no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

vii) Details of Crypto Currency or Virtual Currency - Not Applicable as the Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

viii) There were no whistle blower complaints received by the Company during the year.

ix) The Company does not have any such transaction which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

x) The Company does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

xi) 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:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) Provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xii) 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:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xiii) Registration of charges or satisfaction with registrar of companies- The Company does not have any charges or satisfaction which is yet to registered with ROC beyond the statutory period.

44 Previous period figures have been regrouped/reclassified wherever necessary to confirm to current periods presentation.

In terms of our report of even date

For Shah Khandelwal Jain & Associates	**For and on behalf of the Board of Directors**
ICAI Firm Registration Number: 142740W	**ESDS Software Solution Limited**
Chartered Accountants	CIN : U72200MH2005PLC155433

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Ashish Khandelwal	**Piyush Somani**	**Komal Somani**	**Prasad Deokar**	**Nadukuru Sita Ramaiah**
Partner	Chairman and Managing Director	Whole Time Director	Company secretary and compliance officer	Chief Financial officer
Membership No.: 049278	DIN :02357582	DIN: 08477154	M No:A34350	
Place : Pune	Place: Nashik	Place: Nashik	Place : Nashik	Place : Nashik
Date :13/08/2025	Date :13/08/2025	Date :13/08/2025	Date :13/08/2025	Date :13/08/2025

Notice to Shareholders

Notice is hereby given that the Twentieth (20th) Annual General Meeting ("AGM") of members of ESDS Software Solution Limited ("**the Company**") will be held on Tuesday, 30th September, 2025 at 11:00 hours (IST) at the Registered Office of the Company, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended March 31, 2025, together with the reports of the Board of Directors and Auditors thereon and if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution:**

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted**"**.

2. To consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2025, together with the report of the Auditors thereon and if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution**:

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 and the report of the Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted**"**.

3. To appoint Mr. Piyush Somani (DIN: 02357582), who retires by rotation as a director and, in this regard, to consider and if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Piyush Somani (DIN: 02357582), who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation".

4. To consider and approve the appointment of MSKC & Associates LLP, Chartered Accountants, Pune, a member firm of BDO, as a Statutory Auditors of the Company and, in this regard, to consider and if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and basis the recommendation of the Audit Committee and Board of Directors, M/s. MSKC & Associate LLP, Chartered Accountants, (Firm Registration No.001595S / S000168) Pune, be and are hereby appointed as the Statutory Auditors of the Company for the first (1st) term of five (5) consecutive Financial Years i.e. from 20th Annual General

Meeting till 25th Annual General Meeting (i.e. from FY 2025-26 till 2029-30), at such remuneration as may be approved by the Audit Committee/ Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT the Audit Committee/ Board of Directors of the Company, be and are hereby authorized to revise/ alter/ modify/ amend the terms and conditions and/ or remuneration, from time to time, as may be mutually agreed with the Auditors, during the tenure of their appointment.

RESOLVED FURTHER THAT any one Director or the Company Secretary of the Company be and are hereby severally authorized to take all actions and to do all such acts, deeds, matters and things as may be deemed necessary, desirable or expedient to give effect to this resolution**."**

SPECIAL BUSINESS:

5. To approve the revision of remuneration payable to Mr. Piyush Somani (DIN: 02357582) as Managing Director of the Company and, if thought fit, to give assent or dissent to the following resolution to be passed as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 ("**Act**") (including any statutory modification(s) or re-enactment(s) thereof for the time being in in force), and pursuant to the Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and Audit Committee of the Board, the approval of the Shareholders of the Company be and is here by accorded to revise the remuneration payable to Mr. Piyush Somani (DIN: 02357582), Chairman and Managing Director of the Company, such that the annual remuneration payable shall not exceed Rs.1,83,12,840/- (Rupees One Crore Eighty Three Lakhs Twelve Thousand Eight Hundred and Forty only) inclusive of fixed and variable components, to be effective from 01st April 2025 till the balance term of his appointment as Managing Director.

RESOLVED FURTHER THAT the remuneration payable to Mr. Piyush Somani (DIN: 02357582), Chairman and Managing Director shall comprise i) a fixed annul remuneration including applicable perquisites/benefits to be payable on monthly basis; and ii) a variable remuneration to be payable on annual basis.

RESOLVED FURTHER THAT the Nomination & Remuneration Committee of the Board of Directors of the Company, be and is hereby by authorised to fix and finalize the components of Fixed and Variable remuneration, to be payable to Mr. Piyush Somani (DIN: 02357582).

RESOLVED FURTHER THAT the Nomination & Remuneration Committee of the Board of Directors of the Company, be and is hereby by authorised to specify the criteria for variable remuneration to be payable to Mr. Piyush Somani (DIN: 02357582).

RESOLVED FURTHER THAT in the absence or an inadequacy of profits in the financial year 2025-26, he shall be paid the remuneration, allowances and perquisites, if any, within the ceiling specified above and as set out in the explanatory statement forming part of this Notice as the Minimum Remuneration in accordance with Schedule V and other applicable provisions of the Act.

RESOLVED FURTHER THAT upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall have the discretion and authority to alter, vary and modify the aforesaid terms and condition of the said appointment and remuneration in such manner as may be mutually agreed between the Board of Directors and Mr. Piyush Somani (DIN: 02357582) in accordance with the applicable provisions of the Act or any amendment thereto.

RESOLVED FURTHER THAT each of the Director of the Company or the Company Secretary, be and are hereby severally authorised to do all such acts, deeds, matters and things which may be required to give effect to this resolution including filing of necessary e-forms/letters with the Ministry of Corporate Affairs and intimation to relevant statutory authorities.

RESOLVED FURTHER THAT each of the Director of the Company or the Company Secretary, be and are hereby severally authorized to issue a certified true copy of the resolution to any persons and they be requested to act thereupon."

6. To approve the revision of remuneration payable to Ms. Komal Somani (DIN: 08477154) as Whole-time Director of the Company and, if thought fit, to give assent or dissent to the following resolution to be passed as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 ("**Act**") (including any statutory modification(s) or enactment(s) thereof for the time being in in force), and pursuant to the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee of the Board, the approval of the Shareholders of the Company be and is here by accorded to revise the remuneration payable to Ms. Komal Somani (DIN: 08477154), Whole-time Director of the Company, such that the annual remuneration payable shall not exceed Rs.97,50,000/- (Rupees Ninety-Seven Lakhs Fifty Thousand only) inclusive of fixed and variable components, to be effective from 01st April 2025 till the balance term of her appointment as Whole-time Director.

RESOLVED FURTHER THAT the remuneration payable to Ms. Komal Somani (DIN: 08477154), Whole-time Director shall comprise i) a fixed annul remuneration including applicable perquisites/benefits to be payable on monthly basis and ii) a variable remuneration to be payable on annual basis.

RESOLVED FURTHER THAT the Nomination & Remuneration Committee of the Board of Directors of the Company, be and is hereby by authorised to fix and finalize the amounts of Fixed and Variable remuneration to be payable to Ms. Komal Somani (DIN: 08477154).

RESOLVED FURTHER THAT the Nomination & Remuneration Committee of the Board of Directors of the Company, be and is hereby by authorised to specify the criteria for variable remuneration to be payable to Ms. Komal Somani (DIN: 08477154).

RESOLVED FURTHER THAT in the absence or an inadequacy of profits in the financial year 2025-26, she shall be paid the remuneration, allowances and perquisites, if any, within the ceiling specified above and as set out in the explanatory statement forming part of this Notice as the Minimum Remuneration in accordance with Schedule V and other applicable provisions of the Act.

RESOLVED FURTHER THAT upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall have the discretion and authority to alter, vary and modify the aforesaid terms and condition of the said appointment and remuneration in such manner as may be mutually agreed between the Board of Directors and Ms. Komal Somani (DIN: 08477154) in accordance with the applicable provisions of the Act or any amendment thereto.

RESOLVED FURTHER THAT each of the Director of the Company or the Company Secretary, be and are hereby severally authorised to do all such acts, deeds, matters and things which may be required to give effect to this resolution including filing of necessary e-forms/letters with the Ministry of Corporate Affairs and intimation to relevant statutory authorities.

RESOLVED FURTHER THAT each of the Director of the Company or the Company Secretary, be and are hereby severally authorized to issue a certified true copy of the resolution to any persons and they be requested to act thereupon."

7. To approve the revision of remuneration payable to Mr. Jitendra Pathak (DIN: 09000712) as Whole-time Director of the Company and, if thought fit, to give assent or dissent to the following resolution to be passed as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Companies Act, 2013,and other applicable provisions of the Companies Act, 2013 ("Act") (including any statutory modification(s) or enactment(s) thereof for the time being in in force), and pursuant to the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee of the Board, the approval of the Shareholders of the Company be and is here by accorded to revise the remuneration payable to Mr. Jitendra Pathak (DIN: 09000712), Whole-time Director of the Company, such that the annual remuneration payable shall not exceed Rs.2,02,49,196/- (Rupees Two Crores Two Lakhs Forty Nine Thousand One Hundred and Ninety Six only) inclusive of fixed and variable components, to be effective from 01st August 2025 till the balance term of his appointment as Whole-time Director.

RESOLVED FURTHER THAT the remuneration payable to Mr. Jitendra Pathak (DIN: 09000712), Whole-time Director shall comprise i) a fixed annul remuneration including applicable perquisites/benefits to be payable on monthly basis and ii) a variable remuneration to be payable on annual basis.

RESOLVED FURTHER THAT the Nomination & Remuneration Committee of the Board of Directors of the Company, be and is hereby by authorised to fix and finalize the amounts of Fixed and Variable remuneration to be payable to Mr. Jitendra Pathak (DIN: 09000712).

RESOLVED FURTHER THAT the Nomination & Remuneration Committee of the Board of Directors of the Company, be and is hereby by authorised to specify the criteria for variable remuneration to be payable to Mr. Jitendra Pathak (DIN: 09000712).

RESOLVED FURTHER THAT in the absence or an inadequacy of profits in the financial year 2025-26, he shall be paid the remuneration, allowances and perquisites, if any, within the ceiling specified above and as set out in the explanatory statement forming part of this Notice as the Minimum Remuneration in accordance with Schedule V and other applicable provisions of the Act.

RESOLVED FURTHER THAT upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall have the discretion and authority to alter, vary and modify the aforesaid terms and condition of the said appointment and remuneration in such manner as may be mutually agreed between the Board of Directors and Mr. Jitendra Pathak (DIN: 09000712) in accordance with the applicable provisions of the Act or any amendment thereto.

RESOLVED FURTHER THAT each of the Director of the Company or the Company Secretary, be and are hereby severally authorised to do all such acts, deeds, matters and things which may be required to give effect to this resolution including filing of necessary e-forms/letters with the Ministry of Corporate Affairs and intimation to relevant statutory authorities.

RESOLVED FURTHER THAT each of the Director of the Company or the Company Secretary, be and are hereby severally authorized to issue a certified true copy of the resolution to any persons and they be requested to act thereupon."

For and on behalf of Board of Directors of
ESDS SOFTWARE SOLUTION LIMITED

Sd/-

(Piyush Somani)
Chairman and Managing Director
DIN: 02357582

Date : 08.09.2025
Place : Nashik

Registered Officer: Plot No. B-24 & 25, NICE Area, M.I.D.C. Satpur, Nasik 422007

CIN: U72200MH2005PLC155433

Website: www.esds.co.in

e-mail: secretarial@esds.co.in

Notes:

1. Corporate Members intending to send their authorised representatives to attend the Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the Meeting.

2. A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and on a poll, vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, should, however, be deposited at the registered office of the Company not less than 48 hours before the time of commencement of the Meeting.

3. A person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) per cent of the total paid-up share capital of the Company. A member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

4. Members of the Company had appointed M/s Shah Khandelwal Jain & Associates., Chartered Accountants Pune (Firm Registration No.142740W) as Statutory Auditors for a consecutive period of five years commencing from financial year 2020-21 until the conclusion of Annual General Meeting to be held for financial year 2024-25.

5. The notice of the Twentieth (20th) Annual General Meeting is being sent by electronic mode to those members whose e-mail addresses are registered with the Company. The letter containing Weblink address of these documents for downloading, are sent vide registered post to the Members whose e-mail addresses are not available with the Company or Share Registrar.

6. Entry to the place of meeting will be regulated by an **Attendance Slip** which is annexed hereto as **Annexure 1** to the Notice. Members/Proxies attending the meeting are kindly requested to complete the enclosed Attendance Slip and affix their signature at the place provided thereon and hand it over at the entrance.

7. A member entitled to attend and vote at the meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote instead of himself. Proxies in order to be effective must be lodged with the Company at least 48 hours before the meeting. The **Proxy Form** is annexed hereto as **Annexure 2.**

8. In case of corporate shareholders proposing to participate at the meeting through their representative, necessary authorization under Section 113 of the Companies Act, 2013 for such representation may please be forwarded to the Company.

9. The documents related to matters set out in the notice shall be open for inspection at the registered office of the Company during normal business hours (9.00 am to 6.00 pm) on all working days up to and including the date of Annual General meeting of the Company.

10. In terms of Section 152 of the Companies Act, 2013, Mr. Piyush Somani (DIN: 02357582), retires by rotation at this Meeting and being eligible, offers himself for re-appointment. Details of Director retiring by rotation as required pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India provided in Annexure to the Explanatory Statement.

11. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three (3) days of notice in writing is given to the Company.

12. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Meeting.

13. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Meeting.

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, the Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronic means and business may be transacted through the e-Voting services. For this purpose, the Company has engaged services of **MUFG Intime India Private Limited**, for providing e-Voting services.

15. Remote e-voting facility will be available on the website https://instavote.linkintime.co.in

16. The Board has appointed Mr. Sagar Kulkarni (Membership No. F11770/ C. P. No.18046) of M/s. S.V. Kulkarni & Associates, Company Secretaries, Nashik as the Scrutinizer for conducting the e-voting process in a fair and transparent manner and in accordance with the provisions of the Act and the Rules made thereunder.

17. In terms of the requirements of the Act and the Rules made thereunder, the Company has fixed **Tuesday, September 23, 2025** as the **cut-off date**. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned in proportion to their shareholding as on cut-off date, i.e., **Tuesday, September 23, 2025**.

18. The remote e-voting facility begins from **9.00 a.m. (IST) on Saturday, September 27, 2025** and ends on **Monday, September 29, 2025 at 5:00 p.m. (IST)**. During this period, the members of the Company, holding shares in dematerialised form, as on the cut-off date, are entitled to avail the facility to cast their vote through remote e-voting. After **5:00 p.m. (IST) on Monday, September 29, 2025,** the facility will be disabled by Instavote and remote e-voting shall not be allowed beyond the said date and time.

19. The Members who have cast their votes by remote e-voting prior to the AGM can also attend/ participate in the AGM but shall not be entitled to cast their votes again through ballot paper.

20. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of notice and holding shares as on cut-off date i.e. Tuesday, September 23, 2025, may obtain the login ID and password by sending a request at enotices@in.mpms.mufg.comor contact M/s MUFG Intime India Private Limited on telephone number 022-49186175.

21. Upon completion of scrutiny of the votes, the Scrutinizer will submit his report to the Chairman or to the person authorised by him as soon as possible after the last date of e-voting but not later than three days from the Annual General Meeting. The results of the e-voting will be declared on or before Friday, October 03, 2025, at the Registered Office of the Company and displayed there and on the website of the Company, on the website of MUFG Intime.

22. The Annual General Meeting Notice is also being uploaded on the Company's website, www.esds.co.in and MUFG's website, https://instavote.linkintime.co.in/

23. Resolution(s) passed by the members through e-voting shall be deemed to have been passed as if they have been passed at a general meeting of the members. The resolution(s), if approved by the requisite votes of members by means of e-voting, shall be deemed to have been passed on the date of Annual General Meeting, i.e. Tuesday, September 30, 2025.

24. In this Notice and the statement of material facts, the term "shareholder(s)" and "member(s)" are used interchangeably.

25. Members who have not yet registered their e-mail address are requested to get their e-mail addresses temporarily registered by visiting https://web.in.mpms.mufg.com/EmailReg/Email_Register.html

26. Post successful registration of email, the Member would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable remote e-voting. In case of any queries, member may write to enotices@in.mpms.mufg.com

27. Members can also register their e-mail IDs and contact numbers with the Company by sending details to their respective depositories, CDSL and/ or NSDL or with the Registrar and Transfer Agent, viz., MUFG Intime to enable the Company to communicate to the members.

28. A route map showing the direction to reach the venue of the AGM is attached at the end of the Annual Report as per the requirement of Secretarial Standard-2 on General Meeting.

29. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company shall remain closed from September 24, 2025 to September 30, 2025 (both days inclusive) for the purpose of Annual General Meeting.

30. The information and instruction relating to remote e-voting process are as under:

❖ **REMOTE EVOTING INSTRUCTIONS:**

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

➢ **<u>Individual Shareholders holding securities in demat mode with NSDL</u>**

METHOD 1 - NSDL IDeAS facility

- <u>Shareholders registered for IDeAS facility:</u>

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section".
b) Click on "Beneficial Owner" icon under "IDeAS Login Section".
c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.
d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

- <u>Shareholders not registered for IDeAS facility:</u>

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".
c) Enter the last 4 digits of your bank account / generate 'OTP'
d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.	Google Play	App Store

METHOD 2 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com
b) Click on the "Login" tab available under 'Shareholder/Member' section.
c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen.
d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 3 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp
b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
c) Enter the OTP received on your registered email ID/ mobile number and click on login.
d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

➢ **Individual Shareholders registered with CDSL Easi/ Easiest facility**

METHOD 1 - CDSL Easi/ Easiest facility:

- Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com & click on New System Myeasi Tab.
b) Enter existing username, Password & click on “Login”.
c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

- Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration
b) Proceed with updating the required fields for registration.
c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

METHOD 2 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com
b) Go to e-voting tab.
c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.
d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

- **Individual Shareholders holding securities in demat mode with Depository Participant**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website
b) After Successful login, user shall navigate through "e-voting" option.
c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP to InstaVote

- Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on **"Login"** under 'SHARE HOLDER' tab.
b) Enter details as under:
   A. User ID: Enter User ID
   B. Password: Enter existing Password
   C. Enter Image Verification (CAPTCHA) Code
   D. Click "Submit".
   (Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

- Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on **"Sign Up"** under 'SHARE HOLDER' tab & register with details as under:
   1. User ID: Enter User ID
   2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
   3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
    - o Shareholders holding shares in **NSDL form**, shall provide 'point 4' above
    - o Shareholders holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above
5. Set the password of your choice.
   (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on **"Login"** under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
B. Select 'View' icon. E-voting page will appear.
C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

➢ **Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")**

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in
B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
C. Fill up your entity details and submit the form.
D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.
B. Click on "Investor Mapping" tab under the Menu Section
C. Map the Investor with the following details:

1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
2) 'Investor's Name - Enter Investor's Name as updated with DP.
3) 'Investor PAN' - Enter your 10-digit PAN.
4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.
b) Click on "Votes Entry" tab under the Menu section.
c) Enter the "Event No." for which you want to cast vote.
   Event No. can be viewed on the home page of InstaVote under "On-going Events".
d) Enter "16-digit Demat Account No.".
e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.
f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
   (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.
b) After successful login, you will see "Notification for e-voting".
c) Select "View" icon for "Company's Name / Event number".
d) E-voting page will appear.
e) Download sample vote file from "Download Sample Vote File" tab.
f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: https://instavote.linkintime.co.in

- Click on **“Login”** under ‘SHARE HOLDER’ tab.
- Click **“forgot password?”**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: https://instavote.linkintime.co.in

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click **“forgot password?”**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013

ITEM No.4

M/s. Shah Khandelwal Jain & Associates, Chartered Accountants (ICAI Firm Registration No.: 142740W), were re-appointed as the Statutory Auditors at the fifteenth (15th) Annual General Meeting of the Company held on December 31, 2020, for a period of five (5) years i.e., from financial year 2020-21 to financial year 2024-25, to hold office till the conclusion of Twentieth (20th) Annual General Meeting of the Company.

Accordingly, M/s. Shah Khandelwal Jain & Associates would be completing their second (2nd) term as the Statutory Auditors of the Company at this Annual General Meeting. Upon recommendation of the Audit Committee, the Board of Directors of the Company at their Meeting held on May 28, 2025, have recommended, the appointment of M/s. MSKC & Associate LLP, Chartered Accountants, (Firm Registration No. 001595S / S000168) Pune, a member firm of BDO ("**MSKC**"), as the Statutory Auditors of the Company. MSKC have confirmed their eligibility for appointment under Section 139 read with Section 141 of the Companies Act, 2013. MSKC will hold office for a period of five (5) consecutive years from the conclusion of the ensuing Twentieth (20th) Annual General Meeting of the Company till the conclusion of the Twenty-fifth (25th) Annual General Meeting subject to the approval by the Shareholders at the ensuing Annual General Meeting.

MSKC is a member firm of BDO International and Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI). MSKC offers a range of Assurance services led by industry experts with deep knowledge pockets and driven by a commitment to deliver quality services to all clients. The firm provides professional services like auditing, taxation and management consultancy services to clients in India. The firm is operating from 12 cities in India.

The proposed remuneration to be paid to MSKC for audit services for the financial year ending March 31, 2026, is Rs.25 Lakhs plus applicable taxes and out-of-pocket expenses.

Besides the audit services, the Company would also obtain certifications from the statutory auditors under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee.

The Audit Committee and the Board of Directors shall consider approval of revisions to the remuneration of the Statutory Auditors for the remaining part of the tenure.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors and/ or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4. The Board recommends the resolution set forth in Item No. 4 for the approval of Members as an Ordinary Resolution.

ITEM No. 5

Mr. Piyush Somani (DIN: 02357582) was re-appointed as Managing Director of the Company effective from January 26, 2025 for a period of 5 years on the same remuneration. He is the promoter of the Company.

In view of his significant contribution towards the growth and performance of the Company, and considering the industry remuneration benchmarks for similar positions and his vast experience, role and responsibilities, leadership capabilities, entrepreneurial skills, it is proposed to revise his remuneration with effect from 1st April, 2025 till 31st March, 2026.

He possesses vast experience and has leadership capabilities, entrepreneurial skills, which have enabled the Company to achieve its goals and objectives. Further to mention that the business is growing and with that responsibilities of the Managing Director are also growing. Besides, considering the increased involvement in critical business matters requiring him to shoulder larger responsibilities, devote more time for achieving desired results, and pursuant to the recommendations of the Nomination and Remuneration Committee, it is proposed to revise the remuneration payable to Mr. Piyush Somani, Managing Director.

Mr. Piyush Somani is the Chairman-cum-Managing Director and Promoter of our Company. He holds a Bachelor's Degree in Engineering (Electronics) from the University of Pune. As the founder of our Company at the age of 26, he has over 19 years of experience in the information technology sector. He has been instrumental in expanding the operations of our Company in several international markets. We have significantly benefitted from the vision, technical acumen and leadership of Mr. Piyush Somani.

The material terms of the remuneration are given below:

1. **Annual Remuneration**: Not exceeding Rs.1,83,12,840/- (Rupees One Crore Eighty Three Lakhs Twelve Thousand Eight Hundred and forty only) inclusive of fixed and variable components, effective from April 01, 2025 with a provision for increase in remuneration of not more than 30% per annum over the remuneration of the previous year which would be subject to recommendation by the Nomination & Remuneration Committee, the Audit Committee and approval of the Board on an annual basis.
2. Leave Encashment at the end of the tenure as per Company's HR Policy;
3. Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together, are not taxable under the Income-Tax Act, 1961 as per Company's HR Policy;
4. **Perquisites:** He shall be entitled to:
   - Contribution by the Company to Personal Accident insurance, Mediclaim insurance, Keyman Insurance policies obtained by the Company; and
   - Company maintained Chauffeur driven car for Company's business purposes;
   - Telephone, cell phone and such other means of communications like laptop, internet facilities at residence for business purpose which would not be considered as perquisites;
   - The terms and conditions of the said appointment and agreement may be altered and varied from time to time by the Board, as it may, in its discretion, deem fit within the maximum amount payable to the Managing Director as per the amount approved by the shareholders and subject to the provisions of Sections 196, 197,198 and other applicable provisions, if any,

of the Act for the time being in force, read with Schedule V thereto as amended from time to time;

- He would be paid remuneration with a provision for increase in remuneration of not more than 30% per annum over the previous year which will be decided and recommended by Nomination & Remuneration Committee and Audit Committee, subject to Board approval on an annual basis.

5. Gratuity payable at a rate not exceeding half month's salary for each completed year of service as per **Company's** HR Policy;

The Brief profile of Mr. Piyush Somani and the details of his shareholding in the Company, as per requirements of the Companies Act, 2013, the rules made there under and the SS-2 are given in **Annexure "A".**

In the event of loss or inadequacy of profits for the Financial Year 2025-26, the above remuneration will be paid to him as the Minimum remuneration, which will be within the maximum ceiling limit specified under Part II of Section II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and in accordance with the recommendation of the Nomination and Remuneration Committee and the approval of

The additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is provided in **Annexure A & B**:

None of the Directors / Key Managerial Personnel of the Company and their relatives except Mr. Piyush Somani and Ms. Komal Somani (Spouse of Mr. Piyush Somani) and their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding, if any, in the Company. Further, Mr. Piyush Somani, Ms. Komal Somani and their relatives shall not be entitled to vote on the resolution as set out at Item No.5 of the Notice.

All the documents referred to in the Explanatory Statement are available for inspection at the Registered Office of the Company between 11 a.m. and 1 p.m. on all working days up to the date of General Meeting and any shareholder who wants the same will be provided a soft copy.

The Board recommends the resolution as set out at Item No.5 for approval by the Members as a Special Resolution.

ITEM No.6

Ms. Komal Somani (DIN: 08477154) was appointed as Whole-time Director of the Company effective from July 28, 2021 for a period of 5 years. The shareholders in their meeting held on September 30, 2024 approved the revised remuneration under the relevant provisions of the Companies Act, 2013.

However, considering her vast experience, leadership capabilities and her performance, contributions towards set corporate goals & achievements made during her tenure & the increasing inflation rate and pursuant to recommendations of Nomination and Remuneration Committee, it is proposed to revise her remuneration payable for balance term of her tenure as Whole-time Director effective from April 01, 2025 for balance term of her tenure as Whole-time Director.

She possesses vast experience and has leadership capabilities, entrepreneurial skills, which have enabled the Company to achieve its goals and objectives. She is also Chief Human Resource Officer ("CHRO") and Chief Marketing Officer ("CMO"). Further to mention that the business is growing and with those responsibilities of the Whole-time Director, CHRO and CMO are also growing and pursuant to the recommendations of the Nomination and Remuneration Committee, it is proposed to revise the remuneration payable to Ms. Komal Somani, Whole-time Director effective from April 01, 2025 upto balance term of her tenure.

Ms. Komal Somani, Whole-time Director, is also Chief Human Resource Officer and Chief Marketing Officer of our Company. She holds a Bachelor's Degree in Engineering from the University of Pune. She has been associated with our Company since September 01, 2012. Under her leadership the Company has won FE Excellence in Leadership Development (Silver) Award and ET Learning & Development (Gold) Award for best learning culture during FY 2025. She has also won several awards and recognitions such as one of the 50 Most Fabulous Happiness Leaders at the World Happiness Congress 2023, "Most Innovative Woman of the Year – 2018" at the 2nd She Leads Summit and Awards, 2018, was ranked amongst the 50 Most Innovative HR Technology Leaders 2017, and amongst the 25 Most Innovative HR Tech Leaders – 2016 at the Asia Pacific HRM Congress. She has been honored with Maharashtra Nari Ratna Award 2017, Tejaswini Sanmaan by Swaraj in 2017 and Nashik Best HR Leaders – 2017. She was also awarded as HR Leader of the Year-2024 by The Economic Times Human Capital Awards and Best Learning Culture Award - Gold Category - ETHRWORLD Future Skills Awards 2024.

The material terms of the remuneration are given below:

1. **Annual Remuneration**: Not exceeding Rs.97,50,000/- (Rupees Ninety-Seven Lakhs Fifty Thousand only) inclusive of fixed and variable components, effective from April 01, 2025 with a provision for increase in remuneration of not more than 30% per annum over the remuneration of the previous year which would be subject to recommendation by the Nomination & Remuneration Committee, the Audit Committee and approval of the Board on an annual basis.
2. Leave Encashment at the end of the tenure as per Company's HR Policy;
3. Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together, are not taxable under the Income-Tax Act, 1961 as per Company's HR Policy;
4. **Perquisites:** He shall be entitled to:
   - Contribution by the Company to Personal Accident insurance, Mediclaim insurance, Keyman Insurance policies obtained by the Company; and
   - Company maintained Chauffeur driven car for Company's business purposes;
   - Telephone, cell phone and such other means of communications like laptop, internet facilities at residence for business purpose which would not be considered as perquisites;
   - The terms and conditions of the said appointment and agreement may be altered and varied from time to time by the Board, as it may, in its discretion, deem fit within the maximum amount payable to the Whole-time Director as per the amount approved by the shareholders and subject to the provisions of Sections 196, 197,198 and other applicable provisions, if any, of the Act for the time being in force, read with Schedule V thereto as amended from time to time;
   - She would be paid remuneration with a provision for increase in remuneration of not more than 30% per annum over the previous year which will be decided and recommended by Nomination & Remuneration Committee and Audit Committee, subject to Board approval on an annual basis.

5. Gratuity payable at a rate not exceeding half month's salary for each completed year of service as per **Company's** HR Policy;

The Brief profile of Ms. Komal Somani and the details of his shareholding in the Company, as per requirements of the Companies Act, 2013, the rules made there under and the SS-2 are given in **Annexure "A".**

In the event of loss or inadequacy of profits for the Financial Year 2025-26, the above remuneration will be paid to her as the Minimum remuneration, which will be within the maximum ceiling limit specified under Part II of Section II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and in accordance with the recommendation of the Nomination and Remuneration Committee and the approval of

The additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is provided in **Annexure A & B**:

None of the Directors / Key Managerial Personnel of the Company and their relatives except Ms. Komal Somani and Mr. Piyush Somani (Spouse of Ms. Komal Somani) and their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding, if any, in the Company. Further, Ms. Komal Somani, Mr. Piyush Somani and their relatives shall not be entitled to vote on the resolution as set out at Item No.6 of the Notice.

All the documents referred to in the Explanatory Statement are available for inspection at the Registered Office of the Company between 11 a.m. and 1 p.m. on all working days up to the date of General Meeting and any shareholder who wants the same will be provided a soft copy.

The Board recommends the resolution as set out at Item No.6 for approval by the Members as a Special Resolution.

ITEM No.7

Mr. Jitendra Pathak (DIN: 09000712)), Chief Operation Officer, was appointed as Whole-time Director of the Company effective from February 04, 2025 for a period of 3 years. The shareholders through postal ballot concluded on August 08, 2025 approved the appointment and remuneration under the relevant provisions of the Companies Act, 2013.

However, considering his vast experience, exceptional leadership capabilities, entrepreneurial vision and involvement in critical business matters and solution thereof and pursuant to recommendations of Nomination and Remuneration Committee, it is proposed to revise her remuneration payable for balance term of his tenure as Whole-time Director effective from August 01, 2025 for balance term of his tenure as Whole-time Director.

He possesses vast experience and has leadership capabilities, entrepreneurial skills, which have enabled the Company to achieve its goals and objectives. He is also Chief Operation Officer ("COO").

Mr. Jitendra Pathak, Age. 51 yrs., holds a Bachelors' degree in Engineering in Electronics and a Post Graduate Diploma degree holder in Business Administration. He has also completed various certification courses viz. Post Graduate Program in Artificial Intelligence for Leaders, Global CIO Programme, Certified

Internal Coach program, Standford Advance Program Management course, Project Management Professional course, and etc. He has an experience of more than 30 years in IT Infrastructure & Security Management with deep understanding of Service Delivery & Operations including Cloud support, End User Support & Applications Operations, Major Incident & Crisis Management, Remote Delivery, Solution Development & Evaluation, Service Transitioning, IT Outsourcing & Customer Engagement, Program and Project Management with PnL ownership for Large Business lines.

The material terms of the remuneration are given below:

1. **Annual Remuneration**: Not exceeding Rs.2,02,49,196/- (Rupees Two Crores Two Lakhs Forty Nine Thousand One Hundred and Ninety Six only) inclusive of fixed and variable components, effective from August 01, 2025 with a provision for increase in remuneration of not more than 30% per annum over the remuneration of the previous year which would be subject to recommendation by the Nomination & Remuneration Committee, the Audit Committee and approval of the Board on an annual basis.
2. Leave Encashment at the end of the tenure as per Company's HR Policy;
3. Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together, are not taxable under the Income-Tax Act, 1961 as per Company's HR Policy;
4. **Perquisites:** He shall be entitled to:
   - Contribution by the Company to Personal Accident insurance, Mediclaim insurance, Keyman Insurance policies obtained by the Company; and
   - Telephone, cell phone and such other means of communications like laptop, internet facilities at residence for business purpose which would not be considered as perquisites;
   - The terms and conditions of the said appointment and agreement may be altered and varied from time to time by the Board, as it may, in its discretion, deem fit within the maximum amount payable to the Whole-time Director as per the amount approved by the shareholders and subject to the provisions of Sections 196, 197,198 and other applicable provisions, if any, of the Act for the time being in force, read with Schedule V thereto as amended from time to time;
   - He would be paid remuneration with a provision for increase in remuneration of not more than 30% per annum over the previous year which will be decided and recommended by Nomination & Remuneration Committee and Audit Committee, subject to Board approval on an annual basis.
5. Gratuity payable at a rate not exceeding half month's salary for each completed year of service as per **Company's** HR Policy;

The Brief profile of Mr. Jitendra Pathak and the details of his shareholding in the Company, as per requirements of the Companies Act, 2013, the rules made there under and the SS-2 are given in **Annexure "A".**

In the event of loss or inadequacy of profits for the Financial Year 2025-26, the above remuneration will be paid to him as the Minimum remuneration, which will be within the maximum ceiling limit specified under Part II of Section II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and in accordance with the recommendation of the Nomination and Remuneration Committee and the approval of

The additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is provided in **Annexure A & B**:

None of the Directors / Key Managerial Personnel of the Company and their relatives except Mr. Jitendra Pathak and his relatives, are in any way, concerned or interested, financially or otherwise, in the Resolution except to the extent of his shareholding, if any, in the Company. Further, Mr. Jitendra Pathak and his relatives shall not be entitled to vote on the resolution as set out at Item No.7 of the Notice.

All the documents referred to in the Explanatory Statement are available for inspection at the Registered Office of the Company between 11 a.m. and 1 p.m. on all working days up to the date of General Meeting and any shareholder who wants the same will be provided a soft copy.

The Board recommends the resolution as set out at Item No.7 for approval by the Members as a Special Resolution.

Annexure A

In terms of Section 152 of the Companies Act, 2013, Mr. Piyush Somani (DIN: 02357582) retire by rotation at this Meeting and being eligible, offer herself for re-appointment. Details of Director retiring by rotation including the information of Directors, whose remuneration is being revised/varied, as required pursuant to Secretarial Standard on General Meetings (**"SS-2"**), issued by the Institute of Company Secretaries of India are given hereunder:

Particulars	Particulars	Particulars	Particulars
Name of the Director	Ms. Piyush Prakashchandra Somani	Ms. Komal Piyush Somani	Mr. Jitendra Pathak
DIN	02357582	08477154	09000712
Date of birth	June 09, 1979	June 01, 1986	January 14, 1973
Age	46 years	39 years	52 years
Date of Appointment	August 18, 2005	July 28, 2021	February 04, 2025
Background / Brief Resume of the Director including nature of expertise in specific functional areas	Mr. Piyush Somani is the Chairman-cum-Managing Director and Promoter of our Company. He holds a Bachelor's Degree in Engineering (Electronics) from the University of Pune. As the founder of our Company at the age of 26, he has over 17 years of experience in the information technology sector. He has been instrumental in expanding the operations of our Company in several international markets. We have significantly benefitted from the vision, technical acumen and leadership of Piyush Prakashchandra Somani.	Ms. Komal Somani, Whole-time Director, is also Chief Human Resource Officer and Chief Marketing Officer of our Company. She holds a Bachelor's Degree in Engineering from the University of Pune. She has been associated with our Company since September 01, 2012. Under her leadership the Company has won FE Excellence in Leadership Development (Silver) Award and ET Learning & Development (Gold) Award for best learning culture during FY 2025. She has also won several awards and recognitions such as one of the 50 Most Fabulous Happiness Leaders at the World Happiness Congress 2023, "Most Innovative Woman of the Year – 2018" at the 2nd She Leads Summit and Awards, 2018, was ranked amongst the 50 Most Innovative HR Technology Leaders 2017, and amongst the 25 Most Innovative HR Tech Leaders	Mr. Jitendra Pathak, holds a Bachelors' degree in Engineering in Electronics and a Post Graduate Diploma degree holder in Business Administration. He has also completed various certification courses viz. Post Graduate Program in Artificial Intelligence for Leaders, Global CIO Programme, Certified Internal Coach program, Standford Advance Program Management course, Project Management Professional course, and etc. He has an experience of more than 30 years in IT Infrastructure & Security Management with deep understanding of Service Delivery & Operations including Cloud support, End User Support & Applications Operations, Major Incident & Crisis Management, Remote Delivery, Solution Development & Evaluation, Service Transitioning, IT Outsourcing & Customer Engagement, Program and

		– 2016 at the Asia Pacific HRM Congress. She has been honored with Maharashtra Nari Ratna Award 2017, Tejaswini Sanmaan by Swaraj in 2017 and Nashik Best HR Leaders – 2017. She was also awarded as HR Leader of the Year-2024 by The Economic Times Human Capital Awards and Best Learning Culture Award - Gold Category - ETHRWORLD Future Skills Awards 2024.	Project Management with PnL ownership for Large Business lines.
No. of shares held in the Company as on March 31, 2025	2,46,48,670	1,01,74,322	Nil except 50,000 ESOPs under ESOP Plan-2024
Past Remuneration	Rs.1,40,86,800/- per annum	Rs.75,00,000/- per annum	Rs.1,89,24,482/- per annum
Directorships (Excluding alternate directorship, directorships in foreign companies and companies under Section 8 of the Companies Act, 2013.	Spochub Solutions Private Limited, Imanes Private Limited	Resvera Wines Limited; Imanes Private Limited	PI Jam Foundation
Chairman/Member of the Committee of Board of Directors as on March 31, 2025; A. Audit Committee; B. Stakeholders Relationship Committee	 No Member	 No No	 No No
Inter-se relationship between the Directors / Key Managerial Person (KMP)	Mr. Piyush Somani (DIN: 02357582) is spouse of Ms. Komal Somani, Whole-time Director of the Company.	Ms. Komal Somani (DIN: 08477154) is spouse of Mr. Piyush Somani, Chairman & Managing Director of the Company.	None
No. of Board Meetings attended during FY 2024-25	13 out of 13 meetings he was liable to attend in the FY 2024-25	12 out of 13 meetings he was liable to attend in the FY 2024-25	Attended 3 board meetings out of 3 meetings liable to attend in FY 2024-25.

Annexure B

Sr. No.	Particulars	Mr. Piyush Somani	Ms. Komal Somani	Mr. Jitendra Pathak
1	Nature of Industry	IT and ITES Industry		
2	Date or expected date of Commencement of Commercial production	The Company was incorporated on 5th August, 2005 and commenced its commercial business in the same financial year.		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable		
4	Financial performance based on given indicators	In the financial year 2024-2025, the Company made a turnover of INR 373.54 Crores and Profit of 60.75 Crores after tax		
5	Foreign Investments or collaborations, if any	Nil		
6	Remuneration proposed	As stated in the Explanatory Statement at item no.5 of this Notice.	As stated in the Explanatory Statement at item no.6 of this Notice.	As stated in the Explanatory Statement at item no.6 of this Notice.
7	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Piyush Somani is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.	The remuneration of Ms. Komal Somani is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business. She is handling CHRO & CMO profiles.	The remuneration of Mr. Jitendra Pathak is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
8	Reasons of loss or inadequate profits	N.A.		
9	Steps taken or proposed to be taken for improvement	N.A.		
10	Expected increase in productivity and profits in measurable terms	N.A.		

Annexure 1

ATTENDANCE SLIP

ESDS SOFTWARE SOLUTION LIMITED
CIN: U72200MH2005PLC155433
Regd. Office: Plot No. B-24 & 25, NICE Area, M.I.D.C. Satpur. Nasik 422007

DP ID*		Folio No.	
Client Id*		No. of Shares	

*Applicable for investors holding shares in electronic form.

I/We certify that I/we am/are a registered shareholder/proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the **Twentieth (20th) Annual General Meeting** of the Company, held on Tuesday, September 30, 2025 at 11:00 am at Plot No. B-24 & 25, NICE Area, M.I.D.C. Satpur, Nasik 422007

____________________________ ____________________
Name of the member (In block letters) Signature of Member

____________________________ __________________________
Name of the Proxy (In block letters) Signature of the Proxy

Annexure 2

PROXY FORM
Form No. MGT-11
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

ESDS SOFTWARE SOLUTION LIMITED
CIN: U72200MH2005PLC155433
Regd. Office: Plot No . B-24 & 25, NICE Area, M.I.D.C. Satpur. Nasik 422007

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio No./ *Client Id :	
* DP ID	

*Applicable for investors holding shares in electronic form

I/We**,** being the holder/(s) of ____________ equity shares of ESDS Software Solution Limited, hereby appoint:

1) ______________________ of _________ having e-mail id __________________
or failing him;

2) ______________________ of _________ having e-mail id __________________
or failing him;

3) ______________________ of _________ having e-mail id __________________

and whose signature is appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Twentieth (20th) Annual General Meeting** of the Company, held on Tuesday, September 30, 2025 at 11:00 am at Plot No. B-24 & 25, NICE Area, M.I.D.C. Satpur, Nasik 422007 and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Particulars	For	Against
1	To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended March 31, 2025, together with the reports of the Board of Directors and Auditors thereon;		
2	To consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2025, together with the report of the Auditors thereon;		
3	To appoint Mr. Piyush Somani (DIN: 02357582), who retires by rotation as a director;		

4	To approve the appointment of MSKA & Associates, Chartered Accountants, Pune, a member firm of BDO, as a Statutory Auditors of the Company;		
5	To approve the revision of remuneration payable to Mr. Piyush Somani (DIN: 02357582) as Managing Director of the Company;		
6	To approve the revision of remuneration payable to Ms. Komal Somani (DIN: 08477154) as Whole-time Director of the Company;		
7	To approve the revision of remuneration payable to Mr. Jitendra Pathak (DIN 09000712) as Whole-time Director of the Company;		

**This is optional

Affix Revenue Stamp

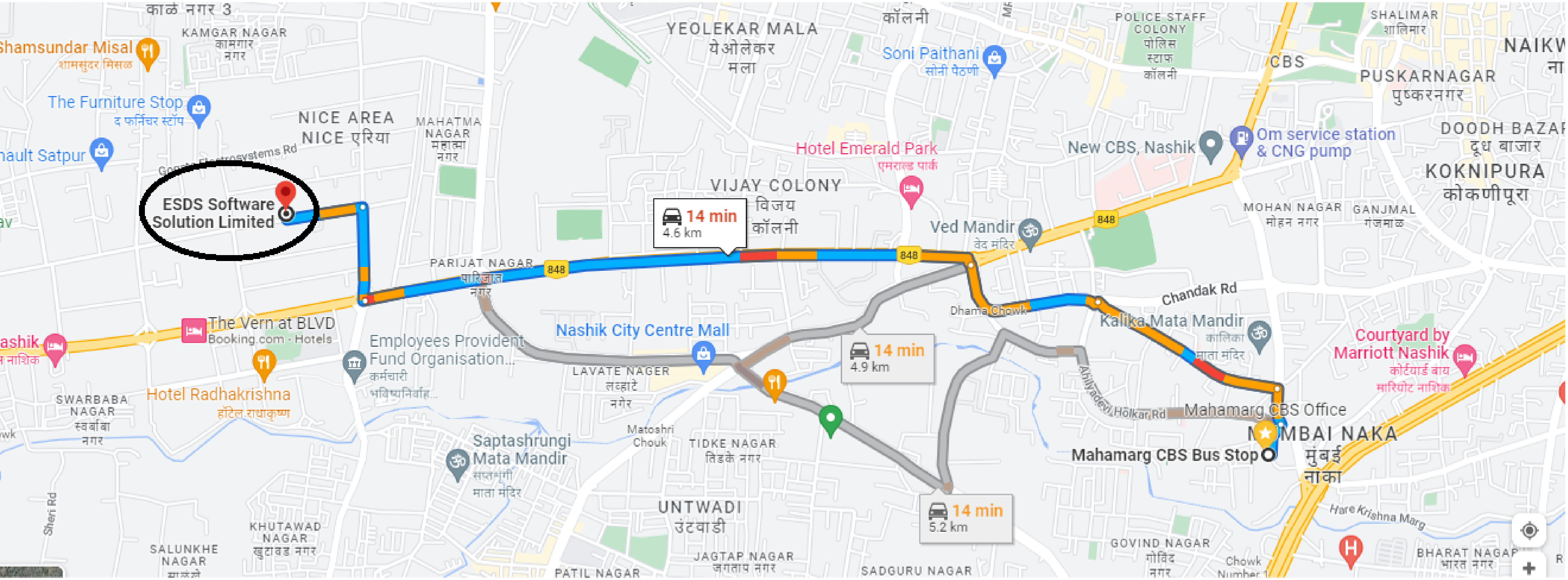
Signed this _____ day of ___________, 2025

Signature of the Proxy holder (s)

Signature of Shareholder

Note: This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route map and land mark details for the venue of general meeting are



ESDS SOFTWARE SOLUTION LIMITED

Head Office I Nashik
Plot No. B- 24 & 25, NICE Industrial Area,
Satpur MIDC, Nashik 422 007.

Toll FREE : 1800 209 3006
Email : getintouch@esds.co.in