

# Independent Auditor’s Report

## To The Members of Happiest Minds Technologies Limited Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Happiest Minds Technologies Limited (the “Parent”) and its subsidiaries, (the Parent and its subsidiaries together referred to as the “Group”), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information in which are incorporated the Financial Statements of Happiest Minds Technologies Share Ownership Plans Trust (the “ESOP trust”) for the year ended on that date audited by the other auditors (the “Trust Auditors”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the Trust Auditors and other auditors on separate financial statements of the ESOP trust and the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (“SA”s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the *Auditor’s Responsibility 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the Trust Auditors and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor’s Response
1	<p>Fixed price contracts using the percentage of completion method</p> <p>(refer note 2(a) and note 26 of the consolidated Ind AS financial statement)</p> <p>Revenue from fixed-price contracts where the performance obligations are satisfied over time, is recognized using the percentage-of-completion method. Use of the percentage-of-completion method requires the Company to determine the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The estimation of total project costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.</p>	<p>Principal audit procedures performed:</p> <p>Our audit procedures related to estimates of efforts to complete for fixed-price contracts accounted using the percentage-of-completion method included the following, among others:</p> <p>a. We tested the effectiveness of controls relating to (1) recording of efforts incurred and estimation of efforts to complete the remaining contract performance obligations, and (2) access and application controls pertaining to time recording and allocation systems, which prevents unauthorized changes to recording of efforts incurred.</p> <p>b. We evaluated management’s ability to reasonably estimate the progress towards satisfying the performance obligation, by comparing actual information to estimates, for performance obligations that have been fulfilled.</p>

Sr. No.	Key Audit Matter	Auditor’s Response
	<p>We identified the revenue recognition for fixed price contracts where the percentage-of-completion method is used as a key audit matter because of the significant judgement involved in estimating the efforts to complete such contracts. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts incurred to-date and estimates of efforts to complete the contract.</p> <p>This required a high degree of auditor judgement in evaluating the audit evidence supporting the estimated efforts to complete and a higher extent of audit effort to evaluate the reasonableness of the total estimated efforts used to recognise revenue on fixed-price contracts.</p>	<p>c. We selected a sample of fixed price contracts with customers accounted using percentage-of-completion method and performed the following:</p> <ul style="list-style-type: none"><li>• Read the contract and based on the terms and conditions evaluated whether recognizing revenue over time was appropriate, and the contract was included in management’s calculation of revenue over time.</li><li>• Evaluated the appropriateness of and consistency in the application of management’s policies and methodologies to estimate progress towards satisfying the performance obligation.</li><li>• Compared efforts incurred with data from the timesheet application system.</li><li>• Tested the estimate for consistency with the status of delivery of milestones and customer acceptances to identify possible delays in achieving milestones, which require changes in estimated efforts to complete the remaining performance obligations.</li><li>• We assessed the adequacy of disclosures made in the financial statements with respect to revenue recognized during the year as required by applicable Indian Accounting Standards.</li></ul>
2	<p>Business Combination</p> <p>(refer note 2(b) and note 45 of the consolidated financial statement)</p> <p>During the current year, the Group completed two material business combinations. The purchase consideration for these acquisitions included cash consideration as well as contingent consideration.</p> <p>The Group has accounted for business combinations in accordance with Ind AS 103, “Business Combinations” (‘Ind AS 103’), which requires the measurement of purchase consideration at fair values, the recognition of identifiable assets and liabilities at acquisition date fair values, with the excess of the purchase consideration over the net assets acquired, recognised as goodwill. The allocation of the purchase consideration to identifiable assets and liabilities including intangibles acquired was performed by external valuation expert. The assumptions underpinning such valuations includes estimates of future cash flows, contributory asset charges, discount rate applied, etc., which are subject to estimation uncertainty. Considering, the materiality of the amounts involved and the degree of subjectivity and auditor judgement involved, the accounting and valuation of these business combinations is considered as a key audit matter for the current year.</p>	<p>Principal audit procedures performed:</p> <p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>o We obtained an understanding and the business rationale for these acquisitions from the management.</li><li>o We tested the design and operating effectiveness of the Group’s controls over the accounting for business combinations.</li><li>o We read the agreements and contracts relating to these acquisitions.</li><li>o We read the valuation reports prepared by the external valuation specialist and assessed the competence, objectivity and integrity of the specialist.</li><li>o We evaluated the completeness of the acquired assets and liabilities identified by the management.</li><li>o We evaluated the reasonableness of the underlying assumptions relating to future growth, margins and discount rate.</li><li>o With the assistance of our internal valuation specialists, we have assessed overall reasonableness of the methodology and the assumptions used particularly relating to the weighted average cost of capital, attrition rates, royalty rate and contributory asset charges.</li><li>o We assessed the adequacy of the disclosures made in the financial statements.</li></ul>

Information Other than the Financial Statements and Auditor’s Report Thereon

- The Parent’s Board of Directors is responsible for the other information. The other information comprises the information included in the Company’s Annual Report 2024-25, but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon. The Company’s Annual Report 2024-25 is expected to be made available to us after the date of this auditor’s report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, identified above, when it becomes available and in doing so, compare with the financial statements of the ESOP trust and the subsidiaries audited by the Trust Auditors and other auditors respectively, to the extent it relates to these entities and, in doing so, place reliance on the work of the Trust Auditors and the other auditors and consider whether the 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 ESOP trust and subsidiaries, is traced from their financial statements audited by the Trust Auditors and other auditors.
- When we read the Company’s Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 ‘The Auditor’s Responsibilities Relating to Other Information’.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the ESOP trust or entities included in the consolidated financial statements, which have been audited by the Trust Auditors or other auditors, such Trust Auditors and other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

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

## Other Matters

- (a) We did not audit the financial statements of the ESOP trust included in the standalone financial statements of the Parent whose financial statements reflect total assets of ₹ 15,476 lakhs as at March 31, 2025 and total revenue of ₹ Nil for the year ended on that date, as considered in the respective standalone financial statements of the companies included in the Group. The financial statements of the ESOP trust have been audited by the Trust Auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the ESOP trust and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid ESOP trust, is based solely on the report of such Trust auditors.
- (b) We did not audit the financial statements of 20 subsidiaries whose financial statements reflect total assets of ₹ 24,511 lakhs as at March 31, 2025, total revenues of ₹ 51,891 lakhs and net cash inflows amounting to ₹ 1,607 Lakhs for the year ended on that date, as considered in the consolidated financial statements. 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 subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the Trust Auditors and other auditors.

## 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 the reports of the Trust auditors and other auditors on the separate financial statements of the ESOP trust and subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group including relevant records so far as it appears from our examination of those books, except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the Directors of the Parent as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, 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) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and the subsidiary companies incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to the Directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 42 to the consolidated financial statements;
  - ii) Provision has been made in the consolidated financial statements, as required 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 Parent, and its subsidiary companies.
  - iv)
    - (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in compliance with section 123 of the Act.

As stated in Note 49 to the consolidated financial statements, the Board of Directors of the Parent, whose financial statements have been audited under the Act, have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination, which included test checks, and based on the other auditor’s reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent Company and its subsidiary companies have used an accounting software for maintaining their respective books of account for the year ended March 31, 2025, 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:

- In respect of the Parent and two subsidiary companies, the accounting software used for maintaining revenue records, did not have audit trail enabled at the database level to log any direct data changes.
- In respect of the one subsidiary company, the accounting software used for maintaining payroll records, did not have audit trail enabled at the database level to log any direct data changes.

Further, during the course of our audit, we and the respective other auditors of subsidiaries incorporated in India whose financial statement have been audited under the Act, whose reports have been furnished to us by the Management of the Parent Company, have not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

Additionally, audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company and above referred subsidiaries, as per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Aureus Tech Systems Private Limited	U72900TG2019FTC132331	Subsidiary Company	Clause vii (a)
Sri Mookambika Infosolutions Private Limited	U72200TN2010PTC075806	Subsidiary Company	Clause vii (a)
PureSoftware Technologies Private Limited	U72900DL2021PTC388597	Subsidiary Company	Clause vii (b)
Happiest Minds Edutech Private Limited (formerly known as Macmillan Learning India Private Limited)	U72200KA2015FTC082947	Subsidiary Company	Clause xiii.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 008072S)

**Vikas Bagaria**  
Partner  
(Membership No. 060408)  
(UDIN: 25060408BMOCIV9539)

Place: Bengaluru  
Date: May 12, 2025



# Annexure “A” To The Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of **Happiest Minds Technologies Limited** (hereinafter referred to as “Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

### Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Company’s management and Board of Directors of the Parent and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

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

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 3 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 008072S)

**Vikas Bagaria**  
Partner  
(Membership No. 060408)  
(UDIN: 25060408BMOCIV9539)

Place: Bengaluru  
Date: May 12, 2025

# Consolidated Balance Sheet

as at March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	14,096	13,778
Capital work-in-progress	3	0	9
Goodwill	4	76,230	14,032
Other intangible assets	4	23,831	7,786
Intangible assets under development	4	18	22
Right-of-use assets	5	6,958	5,698
Financial assets			
i. Investments	11	-	-
ii. Other financial assets	7	7,358	2,480
Income tax assets (net)	8A	3,537	1,529
Other assets	9	170	32
Deferred tax assets (net)	10 A	3,613	1,636
<b>Total non-current assets</b>		<b>1,35,811</b>	<b>47,002</b>
<b>Current assets</b>			
Financial assets			
i. Investments	11	35,039	-
ii. Trade receivables	12	35,813	25,444
iii. Cash and cash equivalents	13	11,912	11,470
iv. Bank balance other than cash and cash equivalents	14	93,911	1,22,183
v. Loans	6	12	37
vi. Other financial assets	7	17,726	13,850
Other assets	9	5,682	4,793
<b>Total current assets</b>		<b>2,00,095</b>	<b>1,77,777</b>
<b>Total assets</b>		<b>3,35,906</b>	<b>2,24,779</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	15	3,001	2,987
Other equity	17	1,54,457	1,45,037
<b>Equity attributable to equity holders of the parent</b>		<b>1,57,458</b>	<b>1,48,024</b>
Non-controlling interest		-	-
<b>Total equity</b>		<b>1,57,458</b>	<b>1,48,024</b>

# Consolidated Balance Sheet (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	19	33,537	10,445
ii. Lease liabilities	20	5,010	4,570
iii. Other financial liabilities	21	8,330	401
Provisions	22	5,940	3,338
Deferred tax liabilities (net)	10 B	4,841	1,303
<b>Total non-current liabilities</b>		<b>57,658</b>	<b>20,057</b>
<b>Current liabilities</b>			
Contract liabilities	23	2,194	1,825
Financial liabilities			
i. Borrowings	19	82,554	33,792
ii. Lease liabilities	20	3,258	2,412
iii. Trade payables	24		
(A) Total outstanding dues of Micro enterprises and Small enterprises		225	165
(B) Total outstanding dues of creditors other than Micro enterprises and Small enterprises.		10,256	7,750
iv. Other financial liabilities	21	14,526	5,810
Income tax liabilities (net)	8B	422	12
Other current liabilities	25	3,836	2,796
Provisions	22	3,519	2,136
<b>Total current liabilities</b>		<b>1,20,790</b>	<b>56,698</b>
<b>Total liabilities</b>		<b>1,78,448</b>	<b>76,755</b>
<b>Total equity and liabilities</b>		<b>3,35,906</b>	<b>2,24,779</b>
<b>Summary of material accounting policies</b>	<b>2</b>		

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date

for **Deloitte Haskins and Sells**

Chartered Accountants

ICAI Firm's Registration Number : 008072S

**Vikas Bagaria**

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 12, 2025.

for and on behalf of the Board of Directors:

**Happiest Minds Technologies Limited**

CIN : L72900KA2011PLC057931

**Ashok Soota**

Executive Chairman

DIN : 00145962

Place: Bengaluru, India

Date: May 12, 2025.

**Venkatraman Narayanan**

Managing Director & Chief Financial Officer

DIN : 01856347

Place: Bengaluru, India

Date: May 12, 2025.

**Praveen Darshankar**

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 12, 2025.

Consolidated Statement of Profit and Loss  
for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from contracts with customers	26	2,06,084	1,62,466
Other income	27	10,138	8,537
Total income		2,16,222	1,71,003
Expenses			
Employee benefits expense	28	1,36,534	1,01,469
Depreciation and amortisation	29	8,870	5,829
Finance costs	30	9,948	4,227
Other expenses	31	32,518	26,882
Impairment loss allowance on trade and unbilled receivables	31A	1,590	530
Total expenses		1,89,460	1,38,937
Profit before exceptional items and tax		26,762	32,066
Exceptional items: charge / (credit)	32	1,216	(1,402)
Profit before tax		25,546	33,468
Tax expense	33		
Current tax		8,443	9,518
Deferred tax charge/ (credit)		(1,363)	(889)
		7,080	8,629
Profit for the year		18,466	24,839
Other comprehensive income (OCI)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Exchange differences on translating the financial statements of a foreign operation		421	124
Net movement on effective portion of cash flow hedges	37(B)	(292)	403
Income tax effect	33	73	(101)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		202	426
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Net loss on equity instruments carried at fair value through OCI	36 (v)	(503)	(1,319)
Income tax effect	33	106	277
Re-measurement losses on defined benefit plans	35	(553)	(346)

Consolidated Statement of Profit and Loss (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income tax effect	33	139	87
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(811)	(1,301)
Other comprehensive income for the year, net of tax		(609)	(875)
Total comprehensive income for the year		17,857	23,964
Profit for the year		18,466	24,839
Attributable to:			
Equity holders of the parent		18,466	24,839
Non-controlling interests		-	-
Total comprehensive income for the year		17,857	23,964
Attributable to:			
Equity holders of the parent		17,857	23,964
Non-controlling interests		-	-
Earnings per equity share	34		
Equity shares of par value ₹ 2/- each			
Basic, computed on the basis of profit for the year attributable to equity holders of the parent (₹)		12.26	16.73
Diluted, computed on the basis of profit for the year attributable to equity holders of the parent (₹)		12.26	16.73

Summary of material accounting policies2

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date

for Deloitte Haskins and Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 12, 2025.

Ashok Soota

Executive Chairman

DIN : 00145962

Place: Bengaluru, India

Date: May 12, 2025.

Venkatraman Narayanan

Managing Director & Chief Financial Officer

DIN : 01856347

Place: Bengaluru, India

Date: May 12, 2025.

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 12, 2025.

# Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

		For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Operating activities</b>			
<b>Profit before tax</b>		<b>25,546</b>	<b>33,468</b>
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation/ amortisation of property, plant and equipment, intangibles and right-of-use assets		8,870	5,829
Share-based payment expense		-	47
Gain on sale of investment carried at fair value through profit and loss		(1,240)	(18)
(Gain)/loss on recognition/derecognition of contingent consideration		1,216	(1,402)
Interest income		(8,976)	(7,958)
Net unrealised foreign exchange (gain)/ loss		(102)	(84)
Impairment loss on financial assets		1,590	530
Provision no longer required/ written-off		-	(78)
(Gain)/ loss on disposal of property, plant and equipment, net		(19)	
Finance costs		9,948	4,227
Operating cash flow before working capital changes		<b>36,833</b>	<b>34,561</b>
<b>Movements in working capital:</b>			
Increase in trade receivables		(2,114)	(4,533)
Decrease in loans		33	27
Decrease/ (Increase) in non-financial assets		533	(210)
Increase in financial assets		(2,686)	(1,240)
Increase in trade payables		937	823
Increase in financial liabilities		731	35
Increase in provisions		23	887
Increase in contract liabilities		369	737
(Decrease)/ Increase in other non-financial liabilities		(1,020)	411
		<b>33,639</b>	<b>31,498</b>
Income tax paid, net of refunds		(9,997)	(10,242)
<b>Net cash flows from operating activities</b>	<b>(A)</b>	<b>23,642</b>	<b>21,256</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(766)	(823)
Purchase of intangible assets		(351)	(207)
Proceeds from sale of property, plant and equipment		19	4
Maturities of / (Investment in) bank deposit, net		23,647	(52,847)
Acquisition of subsidiaries		(73,121)	-
Investment in equity shares of Solvio		(503)	-
Purchase of mutual funds		(37,549)	(2,550)
Proceeds from sale of mutual funds		3,751	2,568
Interest received		8,657	7,214
<b>Net cash flows used in investing activities</b>	<b>(B)</b>	<b>(76,216)</b>	<b>(46,641)</b>
<b>Financing activities</b>			
Repayment of long-term borrowings		(834)	(2,608)
Proceeds from long-term borrowings		24,061	-

# Consolidated Statement of Cash Flows (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

		For the year ended March 31, 2025	For the year ended March 31, 2024
Proceeds / (Repayment) of short-term borrowings (net)		53,322	(1,439)
Repayment of redeemable non-convertible debentures		(4,500)	-
Proceeds from issue of redeemable non-convertible debentures		-	8,000
Payment of principal portion of lease liabilities		(3,172)	(2,161)
Payment of interest portion of lease liabilities		(727)	(614)
Payment of contingent consideration		(1,401)	(1,659)
Proceeds from issue of equity shares (net of share issue expenses)		-	48,556
Dividend paid		(8,588)	(8,604)
Proceeds from exercise of share options		185	181
Interest paid		(8,401)	(3,305)
<b>Net cash flows from/ (used) in financing activities</b>	<b>(C)</b>	<b>49,945</b>	<b>36,347</b>
Net increase in cash and cash equivalents	<b>[(A)+(B)+(C)]</b>	(2,628)	10,962
Net foreign exchange difference		19	55
Cash and cash equivalents at the beginning of the year		11,470	6,999
Cash acquired on acquisition of subsidiary		3,624	-
Less : Bank overdraft at the beginning of the year		(573)	(7,119)
<b>Cash and cash equivalents at the end of the year</b>		<b>11,912</b>	<b>10,897</b>
<b>Components of cash and cash equivalents</b>	<b>13</b>		
Balance with banks			
- on current account		11,481	4,511
- in EEFC accounts		430	4,759
Deposits with original maturity of less than three months		1	2,200
Less : Bank overdraft		-	(573)
<b>Total cash and cash equivalents</b>		<b>11,912</b>	<b>10,897</b>

## Summary of material accounting policies 2

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date

for **Deloitte Haskins and Sells**

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

**Happiest Minds Technologies Limited**

CIN : L72900KA2011PLC057931

**Vikas Bagaria**

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 12, 2025.

**Ashok Soota**

Executive Chairman

DIN : 00145962

Place: Bengaluru, India

Date: May 12, 2025.

**Venkatraman Narayanan**

Managing Director & Chief Financial Officer

DIN : 01856347

Place: Bengaluru, India

Date: May 12, 2025.

**Praveen Darshankar**

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 12, 2025.



# Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

## a) Equity share capital

For the year ended March 31, 2025	No of Shares	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid		
At April 1, 2024	14,93,54,426	2,987
Issue of shares	-	-
Exercise of share options - refer note 15 (ii) (1)	6,92,441	14
As at March 31, 2025	15,00,46,867	3,001

  

For the year ended March 31, 2024	No of Shares	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid		
At April 1, 2023	14,31,88,555	2,866
Issue of shares	54,11,255	106
Exercise of share options - refer note 15 (ii) (1)	7,54,616	15
As at March 31, 2024	14,93,54,426	2,987

## b) Other equity

For the year ended March 31, 2025	Attributable to the equity holders of the parent						Total
	Reserves and Surplus			Other components of equity			
	Securities premium (Note 17)	Share options outstanding reserve (Note 17)	Retained earnings (Note 17)	Cash flow hedge reserve (Note 17)	Foreign currency translation reserve (Note 17)	Equity instrument through OCI (Note 17)	
As at April 1, 2024	90,318	163	55,042	(28)	861	(1,319)	145,037
Profit for the year	-	-	18,466	-	-	-	18,466
Other comprehensive income	-	-	(414)	(218)	421	(397)	(608)
Total comprehensive income	-	-	18,052	(218)	421	(397)	17,858
On issue of shares - refer note 15 (ii) (3)	-	-	-	-	-	-	-
Exercise of share option by employees	170	-	-	-	-	-	170
Transaction costs, net of recovery or reimbursement of expense on issue of shares	-	-	-	-	-	-	-
Transferred to retained earnings for options forfeited	-	(1)	1	-	-	-	-
Transferred to securities premium for options exercised	94	(94)	-	-	-	-	-
Dividend - refer note 18	-	-	(8,608)	-	-	-	(8,608)
Share-based payments expense - refer note 44	-	-	-	-	-	-	-
As at March 31, 2025	90,582	68	64,487	(246)	1,282	(1,716)	154,457

# Consolidated Statement of Changes in Equity (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended March 31, 2024	Attributable to the equity holders of the parent						
	Reserves and Surplus			Other components of equity			Total
	Securities premium (Note 17)	Share options outstanding reserve (Note 17)	Retained earnings (Note 17)	Cash flow hedge reserve (Note 17)	Foreign currency translation reserve (Note 17)	Equity instrument through OCI (Note 17)	
As at April 1, 2023	41,556	266	39,064	(330)	737	(277)	81,016
Profit for the year	-	-	24,839	-	-	-	24,839
Other comprehensive income	-	-	(259)	302	124	(1,042)	(875)
Total comprehensive income	-	-	24,580	302	124	(1,042)	23,964
On issue of shares - refer note 15 (ii) (3)	49,894					-	49,894
Exercise of share option by employees	164	-	-	-	-	-	164
Transaction costs, net of recovery or reimbursement of expense on issue of shares	(1,444)					-	(1,444)
Transferred to retained earnings for options forfeited	4	(6)	2	-	-	-	-
Transferred to securities premium for options exercised	144	(144)	-	-	-	-	-
Dividend - refer note 18	-	-	(8,604)	-	-	-	(8,604)
Share-based payments expense - refer note 44	-	47	-	-	-	-	47
As at March 31, 2024	90,318	163	55,042	(28)	861	(1,319)	1,45,037

## Summary of material accounting policies 2

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date

for **Deloitte Haskins and Sells**

Chartered Accountants

ICAI Firm's Registration Number : 008072S

**Vikas Bagaria**

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 12, 2025.

for and on behalf of the Board of Directors:

**Happiest Minds Technologies Limited**

CIN :

L72900KA2011PLC057931

**Ashok Soota**

Executive Chairman

DIN : 00145962

Place: Bengaluru, India

Date: May 12, 2025.

**Venkatraman Narayanan**

Managing Director & Chief Financial Officer

DIN : 01856347

Place: Bengaluru, India

Date: May 12, 2025.

**Praveen Darshankar**

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 12, 2025.

# Notes to the Consolidated Financial Statements

## for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### Corporate Information

Happiest Minds Technologies Limited ("Happiest Minds" or "the Company" or "the Parent") together with its subsidiary (collectively "the Group") is engaged in a next generation IT solutions & services Company, enabling organizations to capture the business benefits of emerging technologies of cloud computing, social media, mobility solutions, business intelligence, analytics, unified communications and internet of things. The Group offers high degree of skills, IPs and domain expertise across a set of focused areas that include Digital Transformation & Enterprise Solutions, Product Engineering, Infrastructure Management, Security, Testing and Consulting. The Group focuses on industries in the Retail/Consumer Product Goods(CPG), Banking, Financial Services and Insurance (BFSI), Travel & Transportation, Manufacturing and Media space. Happiest Minds provide a smart, secure and connected experience to its Customers. In the solution space, focus areas are Security, M2M and Mobility solutions.

The Company is a limited company, incorporated and domiciled in India and has a branch office at United States of America, United Kingdom, Australia, Canada, Netherlands, Singapore, Malaysia and Dubai. The registered office of the Company is situated at #53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bengaluru - 560068.

The Group's Consolidated Financial Statements (CFS) for the year ended March 31, 2025 were approved by Board of Directors on May 12, 2025.

### 1 Basis of preparation of Consolidated Financial Statements

#### (a) Basis of preparation

The Consolidated Financial Statements (CFS) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

This note provides a list of the material accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

These Consolidated Financial Statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date, March 31, 2025.

The Consolidated Financial Statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant:

- a) Defined benefit plan - plan assets measured at fair value
- b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- c) Derivative financial instruments and
- d) Contingent consideration

#### (b) Functional currency and presentation currency

These Consolidated Financial Statements are presented in Indian Rupee (₹), which is also functional currency of the Parent. All the values are rounded off to the nearest lakhs (₹ 00,000) unless otherwise indicated.

#### (c) Use of estimates and judgements

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Actual results may differ from these estimates.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding estimate. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated Financial Statements.

### Judgements:

Information about judgements made in applying accounting policies that have a material effects on the amounts recognised in the Consolidated Financial Statements is included in the following notes:

- Note 2(c) and 2(d)- Useful life of property, plant and equipment and intangible assets;
- Note 2(g) - Lease classification;
- Note 2(h) - Financial instrument; and
- Note 2(l) - Measurement of defined benefit obligations: key actuarial assumptions.

### Assumption and estimation uncertainties :

Information about assumptions and estimation uncertainties that have a material risk of resulting in a material adjustment in the year ended March 31, 2025 is included in the following notes:

- Note 2(e) - Impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2(o)- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 2(h) - Impairment of financial assets
- Note 2(q) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and
- Note 2(i) - Fair value measurement
- Note 2(b) - Determination of whether the company exercises control or significant influence on its investee and date such control or significant influence was acquired

#### (d) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

### An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(e) Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Parent and its subsidiary as at March 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries on line by line basis. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit and loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit and loss. Any investment retained is recognised at fair value.

The subsidiaries which are included in the consolidation and the Company's holdings therein are as under:

Name of Company	Nature of Business	Country of incorporation	Ownership interest as at March 31, 2025	Ownership interest as at March 31, 2024
Sri Mookambika Infosolutions Private Limited	IT services	India	100%	100%
Happiest Minds Inc. (formerly known as PGS Inc.)	IT services	United States of America	100%	100%
Aureus Tech Systems LLC	IT services	United States of America	100%	-
Aureus Tech Systems Private Limited	IT services	India	100%	-
PureSoftware Technologies Private Limited	IT services	India	100%	-
PureSoftware Pte Limited, Singapore ("PS Pte Ltd")	IT services	Singapore	100%	-
PureSoftware Corp, USA	IT services	United States of America	100%	-
PureSoftware Technology, S de R L de C.V, Mexico	IT services	Mexico	100%	-
PureSoftware Sdn Bhd, Malaysia	IT services	Malaysia	100%	-
PureSoftware Pty Ltd, Australia	IT services	Australia	100%	-
PureSoftware HK Limited, Hong Kong	IT services	Hong Kong	100%	-
PureSoftware Africa Ltd, Kenya	IT services	Kenya	100%	-
PureSoftware Technologies Romania S.R.L, Romania	IT services	Romania	100%	-
PureSoftware Private Limited, Nepal	IT services	Nepal	100%	-
PureConference Solutions Private Limited	IT services	India	100%	-
PureSoftware Private Limited, UK	IT services	United Kingdom	100%	-
Macmillan Learning India Private limited (formerly known as Intellus Software India Private Limited)	IT services	India	100%	-
InnovazIT Technologies LLC	IT services	Dubai	100%	-
GAVS Technologies LLC	IT services	Oman	100%	-
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	IT services	Saudi	100%	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 2 Material accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these Consolidated Financial Statements.

#### (a) Revenue recognition

The Group derives revenue primarily from rendering of services and sale of licenses. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. The Group is a principal in rendering of services and agent in relation to sale of licenses. Amounts disclosed as revenue are net of trade allowances, rebates and Goods and Services tax (GST), amounts collected on behalf of third parties and includes reimbursement of out-of-pocket expenses, with corresponding expenses included in cost of revenues.

Revenue from the rendering of services and sale of license is recognised when the Group satisfies its performance obligations to its customers as below:

##### Revenue from rendering of services

The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation. In determining the transaction price for rendering of services, the Group considers the effect of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customers, if any. Revenue is recognised net of trade and cash discounts. The Group allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price, the Group uses expected cost-plus margin approach in estimating the stand-alone selling price. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

Revenues from services comprise primarily income from time-and-material and fixed price contracts. Revenue with respect to time-and-material contracts is recognised over the period of time as the related services are performed. Revenue with respect to fixed price contracts where performance obligation is transferred over time are recognized using the "percentage of completion" method. The Group uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognized, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Provisions for estimated losses on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates.

##### Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

##### Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

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#### Revenue from license

Revenue for supply of third party products, services or licenses are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. 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.

Where the Group is a reseller for sale of right to use licenses and acting as agent in the arrangement, the revenue for sale of right to use license is recognised on a net basis. In case, where the licenses are required to be substantially customized as part of implementation service, the entire arrangement fee is considered as single performance obligation and revenue is recognized as per input method.

Where the Group acts as principal, revenue from sale of licenses, where the customer obtains a “right to use” the licenses is recognized at the point in time when the related license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period and is included in Revenue from Services.

#### Contract balances

**Contract assets:** The Group classifies its right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset where the right to consideration is unconditional upon passage of time. Unbilled revenue which is conditional is classified as other current assets. Trade receivables and unbilled revenue is presented net of impairment.

**Contract liabilities:** A contract liability (which we referred to as Unearned Revenue) is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is received.

#### Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in 'other income' in the statement of profit and loss.

#### Dividend income

Dividend income on investments is accounted when the right to receive the dividend is established, which is generally when shareholders approve the dividend. Dividend income is included under the head “Other income” in the statement of profit and loss.

#### (b) Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other expenses.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

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At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in statement of profit and loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequently its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

### (c) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalisation criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

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Subsequent costs related to an item of property, plant and equipment are 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 recognised in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Property, plant and equipment individually costing ₹ 5,000 or less are depreciated at 100% in the year in which such assets are ready to use.

Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

The estimates of useful lives of tangible assets are as follows:

Class of asset	Useful life as per Schedule II	Useful life as per Group
Furniture and fixtures	10 years	5 years
Office equipment (including solar panels)	5 years - 15 years	4 years-15 years
Buildings	60 years	50 years
Vehicles	8-10 years	4 years
Computer systems	6 years for server 3 years for other than server	2.5-3 years

Leasehold improvements are amortised over the period of the lease or life of the asset whichever is less.

The useful lives have been determined based on technical evaluation done by the management's expert which in certain instances are different from 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 life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### (d) Intangible assets

#### Goodwill

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Group of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Group of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

#### Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

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An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset	Life in Years
Computer software	2.5-3 years
Non compete fees	3 years
Customer relations	3-7 years
Trade mark	2-3 years
Exclusive license	2 years

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

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequent costs related to Intangible assets are 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.

(e) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's Cash Generating Unit's (CGU's) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or Cash Generating Unit's (CGU's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (CGU) (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(f) Borrowing cost

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

(g) Leases

The Group has lease contracts for various items of computers, vehicles and buildings used in its operations. Lease terms generally ranges between 1 and 5 years.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2(e) for policy on impairment of non-financial assets.

**Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Lease and non-lease component**

As per Ind AS - 116, “As a practical expedient, a lessee may elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.”

The Group has not opted for this practical expedient and have accounted for Lease component only.

**Extension and termination option**

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

**(h) Financial Instruments**

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Non-derivative financial instruments :**

**a) Financial assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through Other Comprehensive Income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially 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. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS - 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principle and interest (SPPI)' on the principle amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI)
- Debt instruments, derivatives and equity instruments at Fair Value Through Profit and Loss (FVTPL)
- Equity instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Debt instruments at amortised cost

A 'Debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 12.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2025**

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**Debt instrument at FVTOCI**

A 'Debt instrument' is classified as at the Fair Value Through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principle and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as Fair Value Through Other Comprehensive Income (FVTOCI), is classified as at Fair Value Through Profit or Loss (FVTPL).

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**Equity investments**

All equity investments in scope of Ind AS - 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS - 103 applies are classified as at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Group may make an irrevocable election to present in Other Comprehensive Income (OCI) subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at Fair Value Through Other Comprehensive Income (FVTOCI), then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

**Reclassification of financial assets**

The Group determines classification of financial assets on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Impairment of financial assets**

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

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

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, unbilled revenue and contract assets

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

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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



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**b) Financial Liabilities :**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at Fair Value Through Profit or Loss (FVTPL), loans and borrowings, or as payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at Fair Value Through Profit or Loss (FVTPL)**

Financial liabilities at Fair Value Through Profit or Loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS - 109 are satisfied. For liabilities designated as FVTPL, fair value gains or losses attributable to changes in own credit risk are recognised in Other Comprehensive Income (OCI). These gain or loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

**c) Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains or losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note 19.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group current has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**Derivative financial instruments**

**Initial recognition and subsequent measurement :**

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

**Cash flow hedges**

The Group designates certain foreign exchange forward and Cross currency interest rate swaps as cash flow hedges with an intention to hedge its existing liabilities and highly probable transaction in foreign currency. When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument

**Notes to the Consolidated Financial Statements for the year ended March 31, 2025**

(All amounts in ₹ lakhs, unless otherwise stated)

recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to the Statement of Profit and Loss.

**(i) Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(j) Cash and cash equivalents**

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

For the purpose of the Consolidated Cash Flow Statement, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**(k) Foreign currency translation**

**Functional and presentation currency**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (₹), which is functional and presentation currency of the Parent.

**Transactions and balances**

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception of the following:

**Notes to the Consolidated Financial Statements for the year ended March 31, 2025**

(All amounts in ₹ lakhs, unless otherwise stated)

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in the statement of profit and loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., Consolidated Financial Statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in Other Comprehensive Income (OCI). These exchange differences are reclassified from equity to the statement of profit and loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to the Statement of Profit and Loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or the statement of profit and loss are also recognised in OCI or the statement of profit and loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

**Group Companies**

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the statement of profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS ( April 1, 2018), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the Parent and no further translation differences occur.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date

**(l) Employee Benefits**

**Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

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

### Other long-term employee benefit obligations

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

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

### Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans - gratuity, and
- (b) defined contribution plans such as provident fund.

### Gratuity obligations

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

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement 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. Such accumulated re-measurement balances are never reclassified into the Statement of Profit and Loss subsequently.

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

### Defined contribution plan

Retirement benefit in the form of provident fund scheme, Social security, National Insurance, Superannuation, Medicare schemes are the defined contribution plans. The Group has no obligation, other than the contribution payable. The Group recognizes contribution payable to these schemes as an expenditure, when an employee renders the related service.

### (m) Employee share based payments

Certain employees of the Group receive remuneration in the form of share-based payments, 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 a Black Scholes model except for the option on date of modification of plan from cash settled to equity settled transaction.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

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That cost is recognised, together with a corresponding increase in employees stock option 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.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. 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.

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

### (n) Exceptional items

Exceptional items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Group and, therefore, are not expected to recur frequently or regularly. In accordance with the requirements of Guidance Note on Schedule III to the Companies Act 2013, exceptional items are disclosed on the face of the Statement of Profit and Loss and details of the individual items are disclosed in the Notes.

### (o) Taxation

Income tax comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in the Other Comprehensive Income.

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

In the situations where one or more entities in the Group are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit and loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### (p) Treasury shares

The Group has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares from the Parent, for giving shares to employees. The Group treats EBT as its extension and shares held by EBT are treated as treasury shares. Refer note 16.

No gain or loss is recognised in Statement of Profit and Loss on the issue or cancellation of the Group's own equity instruments.

On consolidation of EBT with the Group, the value of shares held by trust is shown as a deduction from equity (i.e. reduction from share capital to the extent of face value and remaining from securities premium). Gains/ losses recognized by the trust on issue of shares are shown as a part of securities premium.

Share options exercised during the reporting period are issued from the treasury shares.

### (q) Provisions and Contingent Liabilities

#### Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

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

#### Provision for warranty

As per the terms of the contracts, the Group provides post-contract services / warranty support to some of its customers. The Group accounts for the post-contract support / provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates. The estimate of such warranty-related costs is revised annually.

#### Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

### (r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Group has identified three reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Refer note 43 for segment information.

### (s) Earnings/(Loss) per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Parent Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period (including treasury shares).



## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

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

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders of the Parent and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

- (t) Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

### (u) Critical estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

#### Significant judgments and estimates

##### (a) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates. Further details about the gratuity obligations are given in Note 35.

##### (b) Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

##### (c) Business combination and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Judgement is required to determine the date on which the group acquired control. Ind AS 103 requires the identifiable intangible assets and contingent

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

consideration to be fair valued in order to ascertain the fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management. Judgement is required to determine the acquisition date i.e. the date on which the group acquired control.

### (d) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins. Refer note 4.

### (e) Investment of equity instrument at fair value through Other comprehensive income

The Group applies judgement to assess whether it has significant influence or control over the investee entities. Where the group determines that it does not exercise significant influence or control, the fair value of equity instrument is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Refer note 36(iv) and 36(v).

### (f) Deferred taxes

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all the deductible temporary differences however the same is restricted to the extent of the deferred tax liabilities unless it is probable that sufficient taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Also refer note 10 (A) and 10 (B).

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 3 Property, plant and equipment

	Land	Building	Computer Systems	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Capital work-in-progress
<b>Cost or valuation</b>									
<b>As at April 01, 2023</b>	<b>4,423</b>	<b>8,354</b>	<b>509</b>	<b>276</b>	<b>79</b>	<b>33</b>	<b>230</b>	<b>13,904</b>	<b>185</b>
Additions	-	-	188	103	3	-	-	294	529
Transfers from CWIP	-	132	169	183	133	-	88	705	(705)
Disposals	-	-	(16)	-	-	(4)	-	(20)	-
<b>As at March 31, 2024</b>	<b>4,423</b>	<b>8,486</b>	<b>850</b>	<b>562</b>	<b>215</b>	<b>29</b>	<b>318</b>	<b>14,883</b>	<b>9</b>
Additions	-	-	443	91	8	0	-	542	227
Acquisition of subsidiary - refer note 45	-	-	310	55	19	22	-	407	-
Transfers from CWIP	-	-	-	-	22	-	215	237	(236)
Disposals	-	-	(128)	(2)	-	(14)	-	(144)	-
Exchange difference	-	-	3	-	-	-	-	3	-
<b>As at March 31, 2025</b>	<b>4,423</b>	<b>8,486</b>	<b>1,479</b>	<b>707</b>	<b>264</b>	<b>38</b>	<b>533</b>	<b>15,930</b>	<b>0</b>
<b>Accumulated depreciation</b>									
<b>As at April 01, 2023</b>	<b>-</b>	<b>119</b>	<b>257</b>	<b>138</b>	<b>29</b>	<b>1</b>	<b>82</b>	<b>626</b>	<b>-</b>
Charge for the year	-	168	198	57	25	8	39	495	-
Disposals	-	-	(16)	-	-	(*)	-	-16	-
<b>As at March 31, 2024</b>	<b>-</b>	<b>287</b>	<b>439</b>	<b>195</b>	<b>54</b>	<b>9</b>	<b>121</b>	<b>1,105</b>	<b>-</b>
Charge for the year	-	189	465	95	45	13	55	863	-
Disposals	-	-	(124)	(2)	-	(11)	-	(136)	-
Exchange difference	-	-	3	(0)	-	0	-	3	-
<b>As at March 31, 2025</b>	<b>-</b>	<b>476</b>	<b>782</b>	<b>289</b>	<b>99</b>	<b>11</b>	<b>176</b>	<b>1,834</b>	<b>-</b>
<b>Net book value</b>									
<b>As at March 31, 2024</b>	<b>4,423</b>	<b>8,199</b>	<b>411</b>	<b>367</b>	<b>161</b>	<b>20</b>	<b>197</b>	<b>13,778</b>	<b>9</b>
<b>As at March 31, 2025</b>	<b>4,423</b>	<b>8,010</b>	<b>697</b>	<b>418</b>	<b>165</b>	<b>26</b>	<b>357</b>	<b>14,096</b>	<b>0</b>

(\*) Represents number below rounding off norms of the Company.

**Note:**

- (i) Refer note 19 for details of charge created on the Property, plant and equipment.
- (ii) All property, plant and equipment are owned by the Group unless otherwise stated.
- (iii) There are no proceeding initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Capital work-in-progress (CWIP) Ageing

**As at March 31, 2025**

	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0	-	-	-	0
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Capital work-in-progress (CWIP) Ageing

**As at March 31, 2024**

Projects in progress	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9	-	-	-	9
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9</b>

### 4 Goodwill and other intangible assets

**i) Goodwill**

Cost or valuation	March 31, 2025	March 31, 2024
<b>Deemed cost</b>		
<b>As at April 01</b>	<b>15,920</b>	<b>15,801</b>
Acquisition of subsidiary	61,886	-
Exchange difference	312	119
<b>As at March 31</b>	<b>78,118</b>	<b>15,920</b>
<b>Accumulated Impairment</b>		
<b>As at April 01</b>	<b>1,888</b>	<b>1,888</b>
<b>As at March 31</b>	<b>1,888</b>	<b>1,888</b>
<b>Net book value as at March 31</b>	<b>76,230</b>	<b>14,032</b>

The allocation of goodwill is as follows:

	March 31, 2025	March 31, 2024
OSS Cube Solutions Limited	1,888	1,888
Cupola Technology Private Limited (IoT)	611	611
Happiest Minds Inc. (formerly known as PGS Inc.) (PGS)	8,216	8,017
Sri Mookambika Infosolutions Private Limited (SMI)	5,404	5,404
Aureus Tech System LLC ('Aureus')	4,896	-
PureSoftware Technologies Private Limited ('PSTPL')	56,742	-
InnovazIT Technologies LLC, Dubai; GAVS Technologies LLC, Oman and GAVS Technologies Saudi Arabia for Telecommunications and Information Technology, Saudi Arabia (these three entities together are referred as 'GAVS Middle East')	361	-
	<b>78,118</b>	<b>15,920</b>
Less: Accumulated Impairment		
OSS Cube Solutions Limited	1,888	1,888
	<b>76,230</b>	<b>14,032</b>

Goodwill is tested for impairment on an annual basis by the Group. The recoverable value of the CGU is determined based on value-in-use calculation using the cash flow projections based on the financial budgets approved by the management covering a five year period.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

The Group acquired PSTPL and Aureus during the year ended March 31, 2025 and as required under Ind AS 36, the Group carried out an impairment test on the goodwill arising from these acquisitions as of March 31, 2025. Based on the impairment test, the carrying value of goodwill remains unchanged, and no impairment loss has been recognized. The Group acquired GAVS Middle East in February 2025 and therefore it was not tested for impairment

There is no impairment noted in the IoT and other CGUs based on the assessment performed by the management. Management has performed sensitivity analysis around the base assumption and have concluded that no reasonable possible change in key assumptions would cause the recoverable amount to be lower than the carrying amount of respective CGU.

The following table sets out the key assumptions for calculation of value-in-use for these CGUs:

	GAVS Middle East	Aureus	PSTPL	SMI		IoT		PGS	
	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Discount rate	20.00%	16.74%	19.57%	19.61%	20.00%	19.30%	19.30%	19.36%	19.32%
Long term growth rate	2.00%	2.00%	4.00%	2.00%	2.00%	4.00%	4.00%	2.00%	1.00%
Sales growth	2.00%	22.29%	18.00%	15.00%	15.00%	25.00%	15.00%	10.00%	15.00%
Carrying value of goodwill	361	4,896	56,742	5,404	5,404	611	611	8,216	8,017

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the Cash Generating Unit (CGU).

### ii) Other intangible assets

	Other intangible assets					Intangibles assets under development
	Technology Platform	Customer relationships	Non-compete	Computer software	Total	
<b>Cost or valuation</b>						
<b>Deemed cost</b>						
<b>As at April 01, 2023</b>	-	11,073	397	1,683	13,153	81
Additions	-	-	-	230	230	11
Transfer from intangible assets under development	-	-	-	36	36	(70)
Exchange difference	-	44	1	4	49	-
<b>As at March 31, 2024</b>	-	11,117	398	1,953	13,468	22
Additions	-	-	-	328	328	23
Acquisition of subsidiary - refer note 45	949	18,674	768	-	20,392	-
Transfer from intangible assets under development	-	-	-	27	27	(27)
Exchange difference	(0)	199	1	17	217	-
<b>As at March 31, 2025</b>	949	29,990	1,168	2,325	34,432	18

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Other intangible assets					Intangibles assets under development
	Technology Platform	Customer relationships	Non-compete	Computer software	Total	
<b>Accumulated amortisation/ Impairment</b>						
<b>As at April 01, 2023</b>	-	2,056	80	835	2,971	-
Charge for the year	-	1,958	124	593	2,675	-
Exchange difference	-	31	1	4	36	-
<b>As at March 31, 2024</b>	-	4,045	205	1,432	5,682	-
Charge for the year	122	3,901	324	480	4,827	-
Exchange difference	0	75	2	15	92	-
<b>As at March 31, 2025</b>	122	8,021	531	1,928	10,601	-
<b>Net book value</b>						
<b>As at March 31, 2024</b>	-	7,072	193	521	7,786	22
<b>As at March 31, 2025</b>	826	21,970	637	397	23,831	18

The customer relationships will be fully amortized in 7-8 years (March 31, 2024: 7 Years)

Intangibles assets under development Ageing (IAUD)

### As at March 31, 2025

	Amount in IAUD for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	18	-	-	-	18
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	18	-	-	-	18

### As at March 31, 2024

	Amount in IAUD for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17	5	-	-	22
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	17	5	-	-	22

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 5 Right-of-use assets

	Computer systems	Office equipment	Office buildings	Motor vehicles	Total
<b>As at April 01, 2023</b>	<b>1,534</b>	<b>116</b>	<b>3,974</b>	<b>162</b>	<b>5,786</b>
Additions	1,069	-	1,440	62	2,571
Disposals	-	-	-	-	-
Depreciation	(1,320)	(20)	(1,253)	(66)	(2,659)
<b>As at March 31, 2024</b>	<b>1,283</b>	<b>96</b>	<b>4,161</b>	<b>158</b>	<b>5,698</b>
Additions	1,682	13	1,596	680	3,970
Acquisition of subsidiary - refer note 45	18	-	548	-	566
Disposals	-	-	(103)	(5)	(108)
Depreciation	(1,105)	(24)	(1,875)	(175)	(3,180)
Exchange Difference	0	-	12	-	12
<b>As at March 31, 2025</b>	<b>1,877</b>	<b>84</b>	<b>4,338</b>	<b>658</b>	<b>6,958</b>

The average lease period of the leased assets is 3.8years (March 31, 2024: 4 years).

**The group recognized the following income and expense in the statement of profit and loss pertaining to leased assets:**

	March 31, 2025	March 31, 2024
Interest expense on lease liabilities - refer note 30	727	614
Depreciation of Right-of-use assets -refer note 29	3,180	2,659
Rent expense pertaining to short- term leases -refer note 31	631	549
	<b>4,538</b>	<b>3,822</b>

### 6 Loans

**Carried at amortised cost**

	March 31, 2025	March 31, 2024
<b>Current</b>		
Loans considered good - Unsecured		
Loan to employees	12	37
	<b>12</b>	<b>37</b>

### 7 Other financial assets

	March 31, 2025	March 31, 2024
<b>(a) Other financial assets carried at amortised cost</b>		
(unsecured, considered good, unless otherwise stated)		
<b>Non-current</b>		
Fixed deposit with maturity of more than 12 months	37	11
Margin money deposits - refer note (i) below	6,286	1,688
Security deposit	1,035	781
	<b>7,358</b>	<b>2,480</b>
(i) Margin money deposit is used to secure:		
Term loan - Federal bank	6,252	914

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
Guarantees given	34	774
<b>Current</b>		
Interest accrued on fixed deposit	1,858	1,618
Unbilled revenue#	15,299	11,847
Security deposit	207	145
Other receivables	119	53
	<b>17,483</b>	<b>13,663</b>
Security deposit - credit impaired	11	1
Less: Allowance for credit impaired loans	(11)	(1)
Less: loss allowance on unbilled revenue	(257)	(243)
	<b>17,226</b>	<b>13,420</b>
# Classified as financial asset as right to consideration is unconditional and is due only after a passage of time. Includes ₹ 234 lakhs (March 31, 2024 : ₹ 64) from related party. Refer note 39		
<b>(b) Derivative instruments carried at fair value through OCI</b>		
Designated as Cash flow hedges		
Foreign currency forward contracts - refer note 37 (B)	258	111
Cross currency interest rate swap - refer note 37 (B)	241	319
	<b>499</b>	<b>430</b>
<b>Total other current financial assets</b>	<b>17,726</b>	<b>13,850</b>

### 8A Income tax assets (net)

	March 31, 2025	March 31, 2024
<b>Non - current</b>		
Income tax assets (net)	3,537	1,529
	<b>3,537</b>	<b>1,529</b>

### 8B Income tax liabilities (net)

	March 31, 2025	March 31, 2024
<b>Current</b>		
Income tax liabilities (net)	422	12
	<b>422</b>	<b>12</b>

### 9 Other assets

**Unsecured, considered good, unless otherwise stated**

	March 31, 2025	March 31, 2024
<b>Non - current</b>		
Prepaid expenses	170	32
	<b>170</b>	<b>32</b>
<b>Current</b>		
Prepaid expenses	2,644	2,218
Balances with statutory / government authorities	621	433
Advance to employees against expenses	278	182



Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
Advance to suppliers	500	367
Other advances	6	-
Contract assets	1,661	1,623
	<b>5,710</b>	<b>4,823</b>
Less: loss allowance on contract assets	(28)	(30)
	<b>5,682</b>	<b>4,793</b>

10A Deferred tax assets (net)

	March 31, 2025	March 31, 2024
Deferred tax assets (net)	3,613	1,636
	<b>3,613</b>	<b>1,636</b>

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2025 :

	April 01, 2024	Business Acquisition - refer note 45	Recognised in profit or loss [charge/(credit)]	Recognised in Other comprehensive income	Foreign currency translation reserve	March 31, 2025
Mutual funds	-	-	(312)	-	-	(312)
Goodwill	(154)	-	-	-	-	(154)
Property, plant and equipment and intangible assets	(232)	160	(114)	-	-	(186)
Derivative liabilities, net	10	-	-	73	-	82
Loss allowance on trade receivables	217	54	313	-	-	584
Right-of-use assets	(1,434)	(5)	(3)	-	-	(1,442)
Lease liability	1,763	-	-	-	-	1,763
Provision for gratuity and leave encashment	932	245	556	139	-	1,872
Employee related liabilities	308	-	147	-	-	455
Others	227	215	398	106	5	951
<b>Deferred tax assets (net)</b>	<b>1,636</b>	<b>669</b>	<b>985</b>	<b>318</b>	<b>5</b>	<b>3,613</b>

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2024 :

	April 01, 2023	Recognised in profit or loss [charge/(credit)]	Recognised in Other comprehensive income	Foreign currency translation reserve	March 31, 2024
Mutual funds	-	-	-	-	-
Goodwill	(154)	-	-	-	(154)
Property, plant and equipment and intangible assets	(22)	(210)	-	-	(232)
Derivative assets	111	-	(101)	-	10
Loss allowance on trade receivables	132	85	-	-	217
Right-of-use assets	(1,456)	23	-	-	(1,434)
Lease liability	1,668	95	-	-	1,763
Provision for gratuity and leave encashment	735	102	95	-	932
Employee related liabilities	0	308	-	-	308
Others	232	(6)	-	-	227
<b>Deferred tax assets (net)</b>	<b>1,246</b>	<b>397</b>	<b>(6)</b>	<b>0</b>	<b>1,636</b>

10B Deferred tax liabilities (net)

	March 31, 2025	March 31, 2024
Deferred tax liabilities (net)	4,841	1,303
	<b>4,841</b>	<b>1,303</b>

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2025 :

	April 01, 2024	Business Acquisition- refer note 45	Recognised in profit or loss [charge/(credit)]	Recognised in Other comprehensive income #	Foreign currency translation reserve	March 31, 2025
Property, plant and equipment and intangible assets	1,902	3,915	(977)	-	-	4,841
Interest payable	(38)		38	-	-	-
Loss allowance on trade receivables	(60)		60	-	-	-
Equity instrument at FVOCI	(351)		351	-	-	-
Provision for gratuity and leave encashment	(91)		91	-	-	-
Others	(59)		59	-	-	-
<b>Deferred tax liabilities (net)</b>	<b>1,303</b>	<b>3,915</b>	<b>(378)</b>	<b>-</b>	<b>-</b>	<b>4,841</b>

#excludes impact of Foreign Currency Translation Reserve

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2024 :

	April 01, 2023	Recognised in profit or loss [charge/(credit)]	Recognised in Other comprehensive income #	Foreign currency translation reserve	March 31, 2024
Property, plant and equipment and intangible assets	2,346	(448)	-	4	1,902
Interest payable	-	(38)	-	-	(38)
Loss allowance on trade receivables	(57)	(3)	-	-	(60)
Equity instrument at FVOCI	(74)	-	(277)	-	(351)
Provision for gratuity and leave encashment	(77)	(22)	8	-	(91)
Others	(78)	19	-	-	(59)
<b>Deferred tax liabilities (net)</b>	<b>2,060</b>	<b>(492)</b>	<b>(269)</b>	<b>4</b>	<b>1,303</b>

## 11 Investments

### Non-current

Carried at fair value through other comprehensive income [FVTOCI] (fully paid)

	March 31, 2025	March 31, 2024
<b>Unquoted</b>		
334 (March 31, 2024 : 334) Series A Common Shares of \$ 0.01 par value of TECH4TH Solutions Inc. - refer note (i) below and note 36	-	-
19,93,754 (March 31, 2024 : Nil) Series A Common Shares of \$ 0.00001 par value of Solvio Solutions Inc. - refer note (ii) below and note 36	-	-

- (i) The Group had invested US\$ 2,005,000 (₹ 1,672 lakhs) in Tech4TH Solutions Inc (Tech4TH) and held 23.5% stake. The Group determined that it does not exercise significant influence on Tech4TH as the company does not have any representation on the Board of Directors of Tech4TH, does not participate in any policy making decisions, nor does it have any material transactions with Tech4TH. These equity shares have been designated as FVTOCI as they are not held for trading. During the previous year ended March 31, 2024, the Group conducted an impairment test on this investment. Due to a notable decline in Tech4TH's performance, the Group deemed it necessary to fully impair 100% investment.
- (ii) During the year ended March 31, 2025, the Group invested US\$ 600,000 (₹ 503 lakhs) in Solvio Inc (Solvio) towards 4.4% stake. These equity shares have been designated as FVTOCI as they are not held for trading. Further, during the year ended March 31, 2025, it has been proposed to wind up Solvio resulting in impairing 100% investment.

### Current

Carried at fair value through statement of profit and loss

	March 31, 2025	March 31, 2024
<b>Quoted</b>		
Investment in mutual funds	35,039	-
	<b>35,039</b>	-
Aggregate book value of quoted investments	35,039	-
Aggregate market value of quoted investments	35,039	-
Aggregate value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	1,796	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

## 12 Trade receivables

### Carried at amortised cost

	March 31, 2025	March 31, 2024
<b>Current</b>		
Trade receivables - others	34,873	24,735
Trade receivables - related party - refer note 39	940	709
<b>Total trade receivables</b>	<b>35,813</b>	<b>25,444</b>
<b>Break-up for security details</b>		
Unsecured, considered good	35,813	25,444
Unsecured, considered doubtful	2,635	1,157
	<b>38,448</b>	<b>26,601</b>
<b>Impairment allowance</b>		
Unsecured, considered good	(2,635)	(1,157)
<b>Trade receivables net of impairment</b>	<b>35,813</b>	<b>25,444</b>

### Trade receivables Ageing Schedule:

As at March 31, 2025

	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6months-1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - considered good	10,313	442	9	-	-	36,185
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	1,261	459	244	69	193	2,263
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>11,574</b>	<b>901</b>	<b>253</b>	<b>69</b>	<b>193</b>	<b>38,448</b>
Less: Impairment allowance						(2,635)
<b>Total</b>						<b>35,813</b>

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2024

	Outstanding for the following periods from the due date of payment					Total
	Less than 6 months	6months-1 years	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	7,372	103	-	-	-	25,898
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	45.00	143.00	286.00	220.00	9.00	703
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>7,417</b>	<b>246</b>	<b>286</b>	<b>220</b>	<b>9</b>	<b>26,601</b>
Less: Impairment allowance						(1,157)
<b>Total</b>						<b>25,444</b>

- (i) No trade or other receivable are due from Directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any Director is a partner, a Director or a member, except as disclosed in note 39
- (ii) Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.
- (iii) For terms and conditions relating to related party receivables refer note 39.
- (iv) For unbilled revenue refer note 7

13 Cash and cash equivalents

	March 31, 2025	March 31, 2024
Balances with banks:		
- in current accounts	11,482	4,511
- in EEFC accounts	429	4,759
Deposits with original maturity of less than three months - refer note below	1	2,200
	<b>11,912</b>	<b>11,470</b>

Note:

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

14 Bank and bank balance other than cash and cash equivalents

	March 31, 2025	March 31, 2024
Fixed deposit	19,638	1,11,258
Margin money deposits - refer note (i) below	73,892	10,900
Balances with bank in unpaid dividend account	381	25
	<b>93,911</b>	<b>1,22,183</b>
(i) Margin money deposit is used to secure:		
Working capital facility and bank overdrafts	65,880	10,900
Term loan - Federal bank	-	-
Guarantees given	8,012	-

15 Share Capital

Equity share capital

i) Authorised share capital

	Numbers	Amount
<b>Equity share capital of ₹ 2 each</b>		
<b>As at April 01, 2023</b>	22,93,00,000	4,586
Increase during the year	-	-
<b>As at March 31, 2024</b>	<b>22,93,00,000</b>	<b>4,586</b>
Increase during the year		
<b>As at March 31, 2025</b>	<b>22,93,00,000</b>	<b>4,586</b>

ii) Issued, subscribed and fully paid up Equity share capital

	Numbers	Amount
<b>Equity share capital of ₹ 2 each, fully paid up</b>		
<b>As at April 01, 2023</b>	<b>14,31,88,555</b>	<b>2,866</b>
Issue of shares	54,11,255	106
Exercise of share options - refer note (1) below	7,54,616	15
<b>As at March 31, 2024</b>	<b>14,93,54,426</b>	<b>2,987</b>
Exercise of share options - refer note (1) below	6,92,441	14
<b>As at March 31, 2025</b>	<b>15,00,46,867</b>	<b>3,001</b>

(1) During the year ended March 31, 2025, Employee Stock Option Trust (ESOP trust) issued 6,92,441 (March 31, 2024 - 7,54,616) equity shares to the employees upon exercise of employee stock options.

(2) The outstanding equity shares as at April 01, 2023, March 31, 2024 and March 31, 2025 are presented net of treasury shares.

(iii) Terms/ rights attached to equity shares

The Company has a single class of equity share of par value ₹ 2 each. Each holder of the equity shares is entitled to one vote per share and carries a right to dividends as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares, will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### (iv) Details of shareholders holding more than 5% shares in the Company: -

	March 31, 2025		March 31, 2024	
	No of Shares	Holding percentage	No of Shares	Holding percentage
<b>Equity shares of ₹ 2 each fully paid</b>				
Mr. Ashok Soota (Promoter)	4,92,45,787	32.82%	5,83,82,277	39.09%
Ashok Soota Medical Research LLP	1,79,48,784	11.96%	1,79,48,784	12.02%
SBI Small Cap Fund	1,17,12,365	7.81%	-	0.00%

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

### (v) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the reporting date.

### (vi) Details of shares held by promoters

#### As at March 31, 2025

	Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mr. Ashok Soota	5,83,82,277	(91,36,490)	4,92,45,787	32.97%	(15.65%)
Equity shares of ₹ 2 each fully paid	Ashok Soota Medical Research LLP	1,79,48,784	-	1,79,48,784	12.02%	0.00%

#### As at March 31, 2024

	Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mr. Ashok Soota	6,00,75,393	(16,93,116)	5,83,82,277	39.09%	(2.82%)
Equity shares of ₹ 2 each fully paid	Ashok Soota Medical Research LLP	1,79,48,784	-	1,79,48,784	12.02%	0.00%

## 16 Treasury shares

	No of shares
<b>As at April 01, 2023</b>	<b>36,75,001</b>
Issue for cash on exercise of share options	(7,54,616)
<b>As at March 31, 2024</b>	<b>29,20,385</b>
Issue for cash on exercise of share options	(6,92,441)
<b>As at March 31, 2025</b>	<b>22,27,944</b>

(i) For terms/ rights attached to treasury shares refer note 15 (iii) above

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

## 17 Other equity

	March 31, 2025	March 31, 2024
Securities premium account	90,582	90,318
Retained earnings	64,487	55,042
Cash flow hedge reserve	(246)	(28)
Foreign currency translation reserve	1,282	861
Share options outstanding reserve	68	163
Equity instrument through Other comprehensive income (OCI)	(1,716)	(1,319)
	<b>1,54,457</b>	<b>1,45,037</b>

	March 31, 2025	March 31, 2024
<b>a) Securities premium account</b>		
Opening balance	90,318	41,556
Transaction costs, net of recovery or reimbursement of expense on issue of shares	-	(1,444)
On issue of shares - refer note 15 (ii) (3)	-	49,894
Exercise of share option by employees	170	164
Transferred from ESOP reserve for options exercised	94	144
Transferred from Retained earnings for options exercised	-	4
Closing balance	<b>90,582</b>	<b>90,318</b>
<b>b) Retained earnings</b>		
Opening balance	55,042	39,064
Profit for the year	18,466	24,839
Other comprehensive income recognised directly in retained earnings	(414)	(259)
Dividend - refer note 18	(8,608)	(8,604)
Transferred from share option outstanding reserve for options forfeited	1	6
Transferred to securities premium on options exercised	-	(4)
Closing balance	<b>64,487</b>	<b>55,042</b>
<b>c) Cash flow hedge reserve</b>		
Opening balance	(28)	(330)
Net movement on effective portion of cash flow hedges - refer note 37 (B)	(218)	302
Closing balance	<b>(246)</b>	<b>(28)</b>
<b>d) Foreign currency translation reserve</b>		
Opening balance	861	737
Additions during the period	421	124
Closing balance	<b>1,282</b>	<b>861</b>
<b>e) Share options outstanding reserve</b>		
Opening balance	163	266
Employee compensation expense for the year - refer note 44	-	47
Transferred to retained earnings for options forfeited	(1)	(6)
Transferred to securities premium for options exercised	(94)	(144)
Closing balance	<b>68</b>	<b>163</b>
<b>f) Equity instrument through Other comprehensive income (OCI)</b>		
Opening balance	<b>(1,319)</b>	<b>(277)</b>
Additions during the period, net of taxes - refer note 36 (v)	(397)	(1,042)
Foreign exchange	-	-
Closing balance	<b>(1,716)</b>	<b>(1,319)</b>



Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Note

Securities premium account has been created consequent to issue of shares at premium. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

b) Retained earnings :

Retained earnings comprises of prior year's and current year's undistributed earnings/accumulated losses after tax.

c) Cash flow hedge reserve :

The Group uses foreign currency forward contracts to hedge the highly probable forecasted transaction and interest rate swaps to hedge the interest rate risk associated with foreign currency term loan. The effective portion of fair value gain/loss of the hedge instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to the Statement of Profit and Loss when the hedged item affects profit or loss.

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 statement of profit and loss when the net investment is disposed-off.

e) Share options outstanding reserve :

The share based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee Stock Option Plan.

f) Equity instrument through Other comprehensive income (OCI)

The Group has elected to recognise changes in the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity shares are derecognised.

Distribution made

18 Dividends on equity shares declared and paid :

	March 31, 2025	March 31, 2024
Final dividend paid for the year ended on March 31, 2024 : 3.25/- per share (March 31, 2023 : ₹ 3.4/- per share)	4,854	4,879
Interim dividend for the year ended on March 31, 2025 : ₹ 2.5/- per share (March 31, 2024 : 2/- per share)	3,754	3,725
	8,608	8,604

19 Borrowings

Carried at amortised cost

	March 31, 2025	March 31, 2024
<b>Non current</b>		
<b>Secured</b>		
Term loan from bank - refer note (b) below	10,444	11,278
<b>Unsecured</b>		
Term loan from bank - refer note (c) below	24,061	
	34,505	11,278
Less: Current maturities of rupee term loan	(968)	(833)
Less: Current maturities of unsecured term loan	-	-
<b>Total non-current borrowings</b>	<b>33,537</b>	<b>10,445</b>
<b>Current</b>		
<b>Secured</b>		

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
<b>Loans from banks</b>		
Foreign currency loan (PCFC) - refer note (e)	22,654	19,886
Bank overdraft - refer note (e) below	44,777	573
Foreign currency term loan - refer note (a) below	6,154	-
<b>Unsecured</b>		
<b>Loans from banks</b>		
Foreign currency loan (PCFC) - refer note (e)		
Redeemable non-convertible debentures - refer note (d) below	8,000	12,500
<b>Current maturities of term loans</b>		
Foreign currency term loan from bank - refer note (a) below	-	-
Rupee term loan from bank - refer note (b) below	968	833
<b>Total current borrowings</b>	<b>82,554</b>	<b>33,792</b>

Notes

(a) Foreign currency term loan of ₹ 7,088 lakhs (USD 8.50 million) was borrowed from Citi bank carrying a floating interest rate of O/N SOFR (Secured Over night Financing Rate) + spread. Interest rate ranged from 6.50% to 6.80% . The loan is repayable in 60 equal monthly instalments, with 1 year moratorium period, commencing from September 01, 2024. The loan is secured by the way of SBLC (Stand By Letter of Credit) by Happiest Minds Technologies Limited. The loan was raised exclusively for funding the acquisition of Aureus Tech Systems LLC.

(b) Rupee term loan of ₹ 12,430 lakhs from Federal bank carries an effective interest rate of 7.9% per annum (March 31, 2023 : 7.9%). The loan is repayable in 120 monthly installment commencing from August 15, 2022 and will mature on July 15, 2032. The proceeds from the loan was utilized for the acquisition of building -SJR Equinox, including the land comprised therein, situated at Electronic City, Bangalore. The loan is secured by way of exclusive charge on such land and building together with all the fixtures in the building along with lien on fixed deposits equivalent to three months equated monthly instalments (refer note 7).

The Company has entered into an Cross currency interest rate swap with respect to aforementioned loan over the tenure, which has resulted in an effective interest rate of 4.21% per annum.

(c) During the year, the Group has taken unsecured overdraft facility of ₹ 25,000 lakhs from Federal bank. The facility amount reduces ratably over the tenure of 60 months and carries interest rate of 8.60% p.a.

(d) 4,500 rated, listed, negotiable, unsecured, redeemable non-convertible debentures (NCDs) aggregating to ₹ 4,500 lakhs were issued during FY 22-23 on a private placement basis carrying a coupon rate of 3m T-bill + 2.35% p.a payable quarterly. Each NCD has face value of ₹ 1 lakh and is redeemable at face value at the end of 3<sup>rd</sup> year from the date of allotment. The NCDs were allotted on March 27, 2023 and will mature on March 27, 2026. The proceeds from NCDs has been utilised for general corporate purpose. The investor and the Company has put and call option respectively, for the redemption of debenture at face value on the coupon payment date falling at the expiry of one year or two years from the deemed date of allotment. During FY23-24, Company has exercised the call option on March 27, 2025 (call option date) and repaid ₹ 4500 lakhs.

The company had issued 4,500 and 3,500 rated, listed, negotiable, unsecured, redeemable non-convertible debentures (NCDs) aggregating to ₹ 8,000 lakhs were issued during FY 23-24 on a private placement basis, carrying a coupon rate of 3m T-bill + 2.35% p.a payable quarterly. Each NCD has face value of ₹ 1 lakh and is redeemable at face value at the end of 3<sup>rd</sup> year from the date of respective allotment. NCDs were allotted on 8<sup>th</sup> May, 2023 and 26<sup>th</sup> September, 2023 respectively and will mature on 8<sup>th</sup> May, 2026 and September 26, 2026 respectively. The proceeds from NCDs has been utilised for general corporate purpose. The investor and the issuer has put and call option respectively, for the redemption of debenture at face value on the coupon payment date falling on the expiry of one year or two years from the deemed date of allotment. Consequently, the NCDs are classified as current borrowings."

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

- (e) Company has availed lines of credit from banks in the form of Packing Credit in Foreign Currency (PCFC) and Overdraft to meet the working capital requirements and other short term requirements.

Packing credit in foreign currency:

During the current year the total sanctioned limit was ₹ 31,500 lakhs (March 31, 2024 - ₹ 29,000 lakhs). Loans were drawn in USD which carried floating interest rate benchmarked to SOFR + Spread. Interest rates ranged from 5.04% to 6.27% (March 31, 2024 4.76% to 6.24%). Tenor of the loan ranged from 90 days to 180 days. Loans were secured by way of pari-passu charge on current assets of the Company. These loans were sanctioned as revolving credit which will be renewed on periodic basis. The loans stipulate certain financial covenants as per the terms agreed and the Company has complied with all the covenants to the satisfaction of the banks.

Overdraft facility:

During the current year the total sanctioned limit was ₹ 59,800 lakhs (March 31, 2024 - ₹ 9,500 lakhs). Interest rates ranged from 7.90% to 8.55% (March 31, 2024 8.50%). Loans were fully secured by way of lien on fixed deposit equivalent to ₹ 65,880 lakhs (March 31, 2024 - ₹ 10,700 lakhs)

Non-fund based facility:

Company has non-fund based revolving facility of ₹ 7,827 lakhs (March 31, 2024 - ₹ 767 lakhs) which can be used for issuance of letter of credits and bank guarantees.

The table below details change in the Group's liabilities arising from financing activities, including both cash and non-cash changes

	Non-current borrowings #	Current borrowings ##
As at April 01, 2023	13,856	25,780
Acquisition of subsidiary	-	-
Financing cash flows (net)	(2,608)	6,561
Non cash movements:		
Amortisation of transaction cost	17	-
Foreign exchange difference	13	45
As at March 31, 2024	11,278	32,386
Financing cash flows (net)	23,223	3,983
Non cash movements:		
Amortisation of transaction cost	-	-
Foreign exchange difference	4	439
As at March 31, 2025	34,505	36,808

#Current maturities of term loans are included in the Non-current borrowings

##Current borrowing movement doesn't includes bank overdraft which forms part of cash and cash equivalent for the purpose of Cash flow statement.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

20 Lease liabilities

Carried at amortised cost

	March 31, 2025	March 31, 2024
Non current		
Lease liabilities	8,268	6,982
	8,268	6,982
Less: Current maturities of lease liabilities	(3,258)	(2,412)
Total non-current Lease liabilities	5,010	4,570
Current		
Lease liabilities	3,258	2,412
Total current lease liabilities	3,258	2,412

- (i) Movement in lease liabilities for year ended March 31, 2025 and March 31, 2024

	March 31, 2025	March 31, 2024
Balance at beginning of the year	6,982	6,620
Acquisition of subsidiary - refer note 45	588	-
Additions	3,957	2,523
Finance cost incurred during the period - refer note 30	727	614
Disposal	(79)	-
Payment of lease liabilities	(3,899)	(2,775)
Rent concession - refer note 27	-	-
Exchange difference	(8)	-
Balance at the end of the year	8,268	6,982

- (ii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024

	March 31, 2025	March 31, 2024
Less than one year	3,832	2,925
One to five years	5,311	5,074
More than five years	-	-

- (iii) The Group had total cash outflow of ₹ 3,899 lakhs during the year ended March 31, 2025 (March 31, 2024 - ₹ 2,775 lakhs) for leases recognized in balance sheet. The Group has made a non-cash addition to lease liabilities of ₹ 3,942 lakhs during the year ended March 31, 2025 (March 31, 2024 - ₹ 2,523 lakhs).

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 21 Other financial liabilities

	March 31, 2025	March 31, 2024
<b>Non-Current</b>		
<b>Carried at fair value through profit or loss</b>		
Contingent consideration - refer note 36 (iv) and 36 (v)	1,445	-
Optionally Convertible Redeemable Preference Shares (OCRPS)#	6,272	-
	<b>7,717</b>	<b>-</b>
<b>Carried at fair value through other comprehensive income</b>		
Cash flow hedges		
Cross currency interest rate swap - refer note 37 (B)	613	401
	<b>613</b>	<b>401</b>
<b>Total non - current financial liabilities</b>	<b>8,330</b>	<b>401</b>
<b>Current</b>		
<b>Carried at amortised cost</b>		
Employee related liabilities	4,601	3,932
Unpaid dividend	46	26
Capital creditors	287	303
Purchase consideration withheld	443	-
Accrued interest payable	76	92
	<b>5,453</b>	<b>4,353</b>
<b>Carried at fair value through profit or loss</b>		
Contingent consideration - refer note 36 (iv) and 36 (v)	8,855	1,389
	<b>8,855</b>	<b>1,389</b>
<b>Carried at fair value through Other Comprehensive Income</b>		
Cash flow hedges		
Foreign currency forward contracts - refer note 37 (B)	217	68
	<b>217</b>	<b>68</b>
<b>Total other current financial liabilities</b>	<b>14,526</b>	<b>5,810</b>

#Certain subsidiaries issued 10,000 OCRPS carrying a face value of ₹ 122 per share and 15,000 OCRPS carrying a face value of USD 241,350 pursuant to agreements dated May 28, 2024. Based on the provisions of the agreement which involve option to convert, redeem, put/call these instruments have been classified as a non current financial liability as on the Balance Sheet date.

#As at April 19, 2024, the Company has issued "100" equity shares against the "1000" Non Cumulative Compulsory Convertible Preference Shares.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 22 Provisions

	March 31, 2025	March 31, 2024
<b>Non-current</b>		
Provision for gratuity - refer note 35	5,940	3,338
	<b>5,940</b>	<b>3,338</b>
Provision for compensated absences - refer note 35	3,507	2,126
Provision for warranty	12	10
	<b>3,519</b>	<b>2,136</b>

#### Movement during the year - Provision for warranty

	Amount
<b>Balance as at April 01, 2023</b>	<b>29</b>
Arising during the year	1
Utilised/ reversed during the year	(20)
Exchange (gain)/ loss	-
<b>Balance as at March 31, 2024</b>	<b>10</b>
Arising during the year	10
Utilised/ reversed during the year	(8)
Exchange (gain)/ loss	-
<b>Balance as at March 31, 2025</b>	<b>12</b>

### 23 Contract liabilities

	March 31, 2025	March 31, 2024
<b>Current</b>		
Unearned revenue - refer note (i) below	2,194	1,825
	<b>2,194</b>	<b>1,825</b>

(i) The Group has rendered the service and have recognised the revenue of ₹ 369 lakhs (March 31, 2024: ₹ 964 lakhs) during the year from the unearned revenue balance at the beginning of the year.

### 24 Trade payables

#### Carried at amortised cost

	March 31, 2025	March 31, 2024
Total outstanding dues of micro enterprises and small enterprises - refer note (iii) below	225	165
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,256	7,750
	<b>10,481</b>	<b>7,915</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### Trade payables Ageing Schedule

As at March 31, 2025

	Outstanding for the following periods from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	39	186	-	-	-	225
Total outstanding dues of creditors other than micro enterprises and small enterprises	138	1,797	12	5	-	1,952
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	26	-	-	-	26
Provision for expenses	-	-	-	-	-	8,278
	<b>177</b>	<b>2,009</b>	<b>12</b>	<b>5</b>	<b>-</b>	<b>10,481</b>

As at March 31, 2024

	Outstanding for the following periods from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	165	-	-	-	165
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,052	8	-	2	1,062
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Provision for expenses	-	-	-	-	-	6,688
	<b>-</b>	<b>1,217</b>	<b>8</b>	<b>-</b>	<b>2</b>	<b>7,915</b>

Terms and conditions of above trade payables:

- (i) Trade payables are non-interest bearing and are normally settled on 0 to 90 days terms
- (ii) For explanation of Group's liquidity risk - refer note 37 (D)
- (iii) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 - refer below note

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006

Particulars	March 31, 2025	March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	186	165
Interest due on the above	-	-
(i) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(ii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iii) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

### 25 Other current liabilities

	March 31, 2025	March 31, 2024
Statutory dues payable	3,794	2,762
Other payables	43	34
	<b>3,836</b>	<b>2,796</b>

### 26 Revenue from contract with customers

	For the year ended	
	March 31, 2025	March 31, 2024
Revenue from service	2,03,820	1,62,383
Revenue from license	2,500	287
<b>Gross revenue from operations</b>	<b>2,06,319</b>	<b>1,62,670</b>
Less : cash discounts	(235)	(204)
<b>Net revenue from operations</b>	<b>2,06,084</b>	<b>1,62,466</b>
Revenue from service	2,03,585	1,62,179
Revenue from license (net)	2,500	287
	<b>2,06,084</b>	<b>1,62,466</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 26.1 Disaggregated revenue information

Segment	For the year ended March 31, 2025			
	Infrastructure Management & Security Services	Product and Digital Engineering Services	Generative AI Business Services#	Total
Revenue from contract with customers	32,382	1,69,691	3,562	2,06,084
<b>Total revenue from contracts with customers</b>	<b>32,382</b>	<b>1,69,691</b>	<b>3,562</b>	<b>2,06,084</b>
India	3,202	25,251	1,075	29,528
Outside India	29,630	1,44,440	2,487	1,76,556
<b>Total revenue from contracts with customers</b>	<b>32,382</b>	<b>1,69,691</b>	<b>3,562</b>	<b>2,06,084</b>
<b>Timing of revenue recognition</b>				
Licenses transferred at a point in time	454	2,046	-	2,500
Fixed price project - services transferred over time	5,694	15,159	1,288	22,141
Time and material - services transferred over time	26,684	1,52,486	2,274	1,81,443
<b>Total revenue from contracts with customers</b>	<b>32,382</b>	<b>1,69,691</b>	<b>3,562</b>	<b>2,06,084</b>

Segment	For the year ended March 31, 2024			
	Infrastructure Management & Security Services	Digital Business Solutions	Product Engineering Services	Total
Revenue from contract with customers	29,746	47,591	85,129	1,62,466
<b>Total revenue from contracts with customers</b>	<b>29,746</b>	<b>47,591</b>	<b>85,129</b>	<b>1,62,466</b>
India	8,188	6,212	12,268	26,668
Outside India	21,558	41,379	72,861	1,35,798
<b>Total revenue from contracts with customers</b>	<b>29,746</b>	<b>47,591</b>	<b>85,129</b>	<b>1,62,466</b>
<b>Timing of revenue recognition</b>				
Licenses transferred at a point in time	287	-	-	287
Fixed price project - services transferred over time	13,839	16,420	7,464	37,723
Time and material - services transferred over time	15,620	31,171	77,665	1,24,456
<b>Total revenue from contracts with customers</b>	<b>29,746</b>	<b>47,591</b>	<b>85,129</b>	<b>1,62,466</b>

### 26.2 Contract balances

	March 31, 2025	March 31, 2024
Trade receivables, net of ECL	35,813	25,444
Unbilled revenue, net of ECL	15,042	11,604
Contract assets	1,633	1,593
Contract liability	2,194	1,825

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 26.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contract price	2,07,296	1,63,433
Discount	(1,212)	(967)
<b>Revenue from contract with customers</b>	<b>2,06,084</b>	<b>1,62,466</b>

**26.4** The Group has applied practical expedient as given in Ind AS 115 for not disclosing the remaining performance obligation for contracts that have original expected duration of one year or lesser for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material. The Group have fixed price contracts for a period of more than one year, the remaining performance obligation for these contracts is ₹ 7,798 lakhs (March 31, 2024: ₹ 818 lakhs). The revenue for remaining performance obligation is expected to be recognised over period of 1-3 years (March 31, 2024: 1-3 years).

### 27 Other income

	For the year ended	
	March 31, 2025	March 31, 2024
Interest income on:		
Deposits with bank	8,897	7,921
Financial instrument measured at amortised cost	78	37
	8,976	7,958
Fair value gain on investment measured at FVTPL	1,240	-
Gain on sale of investments measured at FVTPL	1	18
Exchange gain/(loss)	(338)	459
Gain on property, plant and equipment sold / scrapped, net	19	-
Miscellaneous income	241	102
	<b>1,162</b>	<b>579</b>
	<b>10,138</b>	<b>8,537</b>

### 28 Employee benefits expense

	For the year ended	
	March 31, 2025	March 31, 2024
Salaries, wages and bonus	1,27,226	94,291
Contribution to provident fund	5,882	4,675
Employee stock compensation expense - refer note 44	-	47
Gratuity expense - refer note 35	1,280	876
Compensated absences	1,485	1,025
Staff welfare expenses	660	555
	<b>1,36,534</b>	<b>1,01,469</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 29 Depreciation and amortisation expense

	For the year ended	
	March 31, 2025	March 31, 2024
Depreciation of property, plant and equipment - refer note 3	863	495
Amortisation of intangible assets - refer note 4	4,827	2,675
Depreciation of right-of-use assets - refer note 5	3,180	2,659
	<b>8,870</b>	<b>5,829</b>

### 30 Finance costs

	For the year ended	
	March 31, 2025	March 31, 2024
Interest expense on:		
Borrowings	7,260	2,460
Non convertible debenture	1,125	948
Lease liabilities - refer note 20	727	614
Unwinding of interest in contingent consideration	526	205
Unwinding interest on OCRPS	311	-
	<b>9,948</b>	<b>4,227</b>

### 31 Other expenses

	For the year ended	
	March 31, 2025	March 31, 2024
Power and fuel	514	567
Subcontractor charges	13,826	12,851
Repairs and maintenance		
- Buildings	453	335
- Equipments	41	68
- Others	295	483
Rent expenses - refer note (ii) below	631	549
Advertising and business promotion expenses	1,018	873
Commission	73	45
Communication costs	278	266
Insurance	182	138
Legal and professional fees	2,309	1,040
Audit fees - refer note (i) below	178	104
Loss on property, plant and equipment sold / scrapped, net	-	1
Software license cost	6,092	4,775
Rates and taxes	217	91
Recruitment charges	763	787
Sitting fees to Non-Executive Directors - refer note 39	70	70
Commission to Non-Executive Directors - refer note 39	55	25
Corporate social responsibility ('CSR') expenditure - refer note 40	655	470
Travelling and conveyance	3,957	2,753
Postage and courier	58	40
Training expense	445	413
License reseller commission expenses	158	-
Miscellaneous expenses	250	138
	<b>32,518</b>	<b>26,882</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

#### (i) Payment to auditors:

	For the year ended	
	March 31, 2025	March 31, 2024
As auditor:		
Audit fee	178	98
In other capacity		
Certification fees	8	205
Reimbursement of expenses	-	2
	<b>186</b>	<b>305</b>

#### (ii) Rent expense recorded under other expenses are lease rental for short-term leases

### 31A Impairment loss allowance

	For the year ended	
	March 31, 2025	March 31, 2024
Impairment loss allowance on trade and unbilled receivables	1,590	530
	<b>1,590</b>	<b>530</b>

### 32 Exceptional Items

	For the year ended	
	March 31, 2025	March 31, 2024
Gain/(Loss) on re-measurement/derecognition of contingent consideration (including OCRPS)	(1,216)	1,402
	<b>(1,216)</b>	<b>1,402</b>

#### Note:

- (i) On May 22, 2024, the Group acquired entire equity interest of PureSoftware Technologies Private Limited ('PSTPL'), India for total consideration of ₹ 75,044 lakhs, comprising cash consideration of ₹ 64,229 lakhs, cash consideration for cancellation of share based payments of ₹ 399 lakhs and fair value of contingent consideration of ₹ 10,415 lakhs payable over next two years. The contingent consideration is indexed to EBITDA and PSTPL's revenues for the financial year 2024-25 and 2025-26.

The contingent consideration is classified as a financial liability as per Ind AS 109 'Financial Instruments' and is measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The Group has re-measured the fair value of the contingent consideration and the change in fair value of ₹ 2,344 Lakhs has been recognised as an expense in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31, 2025. Refer Note 45.

- (ii) On May 24, 2024, the Group acquired entire membership interest of Aureus Tech System LLC ('Aureus'), USA for total consideration of ₹ 9,574 lakhs, comprising cash consideration of ₹ 7,149 lakhs and fair value of contingent consideration of ₹ 2,425 lakhs payable over next two years. The contingent consideration is indexed to EBITDA and revenues of financial year 2024-25 and 2025-26

The contingent consideration is classified as a financial liability as per Ind AS 109 'Financial Instruments' and is measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The Group has re-measured the fair value of the contingent consideration and the change in fair value of ₹ 1,128 Lakhs has been recognised as gain on derecognition of contingent consideration in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31, 2025. Refer Note 45.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

- (iii) The fair value of contingent consideration payable to the shareholders of Sri Mookambika Infosolutions Private Limited ("SMI") over a period of 2 years ended December 31, 2024 has been remeasured and the change in fair value amounting to ₹ 143 lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31,2024.
- (iv) The fair value of contingent consideration payable to shareholders of Happiest Minds Inc. (erstwhile PGS Inc.) has been re-measured and the change in fair value amounting to ₹ 1,259 lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31, 2024.

### 33 Income tax expense

	For the year ended	
	March 31, 2025	March 31, 2024
<b>a) Statement of profit and loss</b>		
Current tax	8,443	9,518
Deferred tax credit	(1,363)	(889)
<b>Income tax expense</b>	<b>7,080</b>	<b>8,629</b>
<b>b) Statement of other comprehensive income</b>		
On net movement on effective portion of cash flow hedges	73	(101)
On re-measurement losses on defined benefit plans	139	87
On net loss on equity instruments carried at fair value through OCI	106	277
	<b>318</b>	<b>263</b>

	For the year ended	
	March 31, 2025	March 31, 2024
<b>Reconciliation of tax expense and tax based on accounting profit:</b>		
Profit before income tax expense	25,546	33,468
Tax at the Indian tax rate of 25.17% (March 31, 2024 : 25.17%)	6,430	8,424
Tax effect of:		
Adjustment of tax relating to earlier periods	-	-
Expenses that are not deductible in determining taxable profit	705	393
Effect of different tax rates of subsidiaries operating in other jurisdictions	(50)	(324)
Others	(5)	136
<b>Income tax expense</b>	<b>7,080</b>	<b>8,629</b>

### 34 Earnings per share ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended	
	March 31, 2025	March 31, 2024
Profit after tax attributable to equity holders of the Parent (a) (₹ in lakhs)	18,466	24,839
Weighted average number of shares outstanding during the year for basic EPS (b)	15,05,68,775	14,84,59,435
Weighted average number of shares outstanding during the year for diluted EPS (c)	15,05,68,775	14,84,69,587
Basic Earning per share (in ₹) (a/b)	12.26	16.73
Diluted Earnings per share (in ₹) (a/c)	12.26	16.73
<b>Equity shares reconciliation for EPS</b>		
Equity shares outstanding	15,05,68,775	14,84,59,435
<b>Total considered for Basic EPS</b>	<b>15,05,68,775</b>	<b>14,84,59,435</b>
Add: ESOP options	-	10,152
<b>Total considered for diluted shares</b>	<b>15,05,68,775</b>	<b>14,84,69,587</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 35 Employee benefits plan

#### (i) Defined contribution plans - Provident Fund

The Group makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Group recognised ₹ 5,882 lakhs (March 31, 2024 : ₹ 4,675 lakhs) towards defined contribution plans.

#### (ii) Defined benefit plans (funded):

The Group provides for gratuity for employees in India as per the Payment of Gratuity (Amendment) Act, 2018. 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 of the Group is funded with qualifying life insurance Company.

Gratuity is a defined benefit plan and Group is exposed to the following risks:

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Longevity risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk	Plan is having a concentration risk as all the assets are invested with the insurance company.

	March 31, 2025	March 31, 2024
<b>Non-current</b>	5,940	3,338
	<b>5,940</b>	<b>3,338</b>

The following table sets out movement in defined benefits liability and the amount recognised in the financial statements:

#### Changes in the defined benefit obligation and fair value of plan assets for the year ended March 31, 2025:

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
<b>As at April 1, 2024</b>	<b>4,221</b>	<b>883</b>	<b>3,338</b>
Acquisition of subsidiary	1,139	19	1,120
Current service cost	973	-	973
Net interest expense	355	65	290
Past service cost	12	-	12
<b>Total amount recognised in statement of profit and loss</b>	<b>1,340</b>	<b>65</b>	<b>1,275</b>
<b>Benefits paid</b>	(579)	(489)	(90)
<b>Remeasurement</b>			
Return on plan assets	-	(1)	1
(Gain)/loss from actuarial changes arising from changes in demographic assumptions	300	-	300

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
(Gain)/loss from actuarial changes arising from changes in financial assumptions	(1)	-	(1)
Experience adjustments	278	-	278
<b>Total amount recognised in other comprehensive income</b>	<b>577</b>	<b>(1)</b>	<b>578</b>
Contributions by employer	-	281	(281)
<b>As at March 31, 2025</b>	<b>6,698</b>	<b>758</b>	<b>5,940</b>

### Changes in the defined benefit obligation and fair value of plan assets for the year ended March 31, 2024:

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
<b>As at April 1, 2023</b>	<b>3,299</b>	<b>833</b>	<b>2,466</b>
Current service cost	692	-	692
Net interest expense	245	61	184
<b>Total amount recognised in statement of profit and loss</b>	<b>937</b>	<b>61</b>	<b>876</b>
<b>Benefits paid</b>	<b>(357)</b>	<b>(307)</b>	<b>(50)</b>
<b>Remeasurement</b>			
Return on plan assets	-	(4)	4
(Gain)/loss from actuarial changes arising from changes in demographic assumptions	-	-	-
(Gain)/loss from actuarial changes arising from changes in financial assumptions	22	-	22
Experience adjustments	320	-	320
<b>Total amount recognised in other comprehensive income</b>	<b>342</b>	<b>(4)</b>	<b>346</b>
Contributions by employer	-	300	(300)
<b>As at March 31, 2024</b>	<b>4,221</b>	<b>883</b>	<b>3,338</b>

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2025	March 31, 2024
Insurance fund*	758	883
<b>Total</b>	<b>758</b>	<b>883</b>

\*The contributions of PSPTL, Aureus and GAVS Middle East is not funded

The principal assumptions used in determining gratuity benefit obligations for the Group's plans are shown below:

	March 31, 2025	March 31, 2024
Discount rate	4.60% - 6.55%	4.6% - 7.29%
Expected return on plan assets	6.55%	7.21% - 7.29%
Future salary increases	2.5% p.a. - 7% p.a	4% p.a. - 8% p.a
Employee turnover	18% - 20%	10% - 25%
Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

A quantitative sensitivity analysis for significant assumptions are as shown below:

	Sensitivity Level	March 31, 2025		March 31, 2024	
		Defined benefit obligation on increase/decrease in assumptions			
		Increase	Decrease	Increase	Decrease
Discount rate	1% increase / decrease	582	(657)	(92)	100
Future salary increase	1% increase / decrease	1,174	(1,062)	96	(92)
Attrition rate	1% increase / decrease	(22)	20	(18)	18

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

The following payments are expected cash flows to the defined benefit plan in future years:

Expected contributions to defined benefits plan for the next year is ₹ 466 lakhs (March 31, 2024 : ₹ 454 lakhs). The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 4 to 8 years (March 31, 2024: 4 to 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

	March 31, 2025	March 31, 2024
Within the next 12 months	966	853
Between 2 and 5 years	3,491	2,425
Between 6 and 10 years	2,707	1,478
Beyond 10 years	2,230	948

## 36 Fair value measurement

i) The carrying value of financial assets by categories is as follows:

	March 31, 2025	March 31, 2024
<b>Measured at Fair Value Through Other Comprehensive Income (FVOCI)</b>		
Foreign currency forward contracts	258	111
Cross currency interest rate swap	241	319
Investments in TECH4TH Solutions Inc.	-	-
Investments in Solvio Inc.	-	-
<b>Total financial assets measured at FVOCI</b>	<b>499</b>	<b>430</b>
<b>Measured at Fair Value Through Statement of Profit and Loss (FVTPL)</b>		
Investment in mutual funds	35,039	-
<b>Total financial assets measured at FVTPL</b>	<b>35,039</b>	<b>-</b>
<b>Measured at amortised cost</b>		
Security deposits	1,242	926
Loans to employees	12	37
Other financial assets	23,343	14,974
Trade receivables	35,813	25,444
Bank and bank balance other than cash and cash equivalents	93,911	1,22,183
Cash and cash equivalents	11,912	11,470
<b>Total financial assets measured at amortised cost</b>	<b>1,66,233</b>	<b>1,75,034</b>
<b>Total financial assets</b>	<b>2,01,771</b>	<b>1,75,464</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### ii) The carrying value of financial liabilities by categories is as follows:

	March 31, 2025	March 31, 2024
<b>Measured at fair value through other profit or loss (FVTPL)</b>		
Contingent consideration	10,301	1,389
Optionally Convertible Redeemable Preference Shares (OCRPS)	6,272	-
<b>Total financial liabilities measured at FVTPL</b>	<b>16,573</b>	<b>1,389</b>
<b>Measured at fair value through other comprehensive income (FVOCI)</b>		
Foreign currency forward contracts	217	68
Cross currency interest rate swap	613	401
<b>Total financial liabilities measured at FVOCI</b>	<b>830</b>	<b>469</b>
<b>Measured at amortised cost</b>		
Foreign currency term loan	6,154	-
Term loan from bank	34,505	11,278
Redeemable non-convertible debentures	8,000	12,500
Foreign currency loan (PCFC)	22,654	19,886
Bank Overdraft	44,777	573
Lease liabilities	8,268	6,982
Trade payables	10,481	7,915
Other financial liabilities	5,453	4,353
<b>Total financial liabilities measured at amortised cost</b>	<b>1,40,293</b>	<b>63,487</b>
<b>Total financial liabilities</b>	<b>1,57,695</b>	<b>65,345</b>

### iii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
	March 31, 2025			
<b>Financial assets measured at fair values</b>				
<b>Measured at fair value through other comprehensive income (FVOCI)</b>				
Foreign currency forward contracts	-	258	-	258
Cross currency interest rate swap	-	241	-	241
Investment in TECH4TH Solutions Inc.	-	-	-	-
Investment in Solvio Inc.	-	-	-	-
<b>Measured at fair value through statement of profit and loss (FVTPL)</b>				
Investment in mutual funds	35,039	-	-	35,039
<b>Total financial asset measured at fair value</b>	<b>35,039</b>	<b>499</b>	<b>-</b>	<b>35,538</b>
<b>Financial liabilities measured at fair values</b>				
<b>Measured at fair value through other comprehensive income (FVOCI)</b>				
Foreign currency forward contracts	-	217	-	217
Cross currency interest rate swap	-	613	-	613

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
	March 31, 2025			
<b>Measured at fair value through statement of profit and loss (FVTPL)</b>				
Contingent consideration	-	-	10,301	10,301
Optionally Convertible Redeemable Preference Shares (OCRPS)	-	-	6,272	6,272
<b>Total financial liabilities measured at fair value</b>	<b>-</b>	<b>830</b>	<b>16,573</b>	<b>17,403</b>

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
	March 31, 2024			

### Financial assets and liabilities measured at fair values

#### Measured at fair value through other comprehensive income (FVOCI)

Foreign currency forward contracts	-	111	-	111
Cross currency interest rate swap	-	319	-	319
Investment in TECH4TH Solutions Inc.	-	-	-	-
<b>Total financial asset measured at fair value</b>	<b>-</b>	<b>430</b>	<b>-</b>	<b>430</b>

#### Measured at fair value through other comprehensive income (FVOCI)

Foreign currency forward contracts	-	68	-	68
Cross currency interest rate swap	-	401	-	401

#### Measured at fair value through statement of profit and loss (FVTPL)

Contingent consideration	-	-	1,389	1,389
<b>Total financial liabilities measured at fair value</b>	<b>-</b>	<b>469</b>	<b>1,389</b>	<b>1,858</b>

### Notes:

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

- In respect of investments in mutual funds, the fair value represents net assets value (NAV) as stated by the fund house in their published statements.
- The fair valuation of Investment in TECH4TH Solutions Inc and Solvio Inc. is determined on the reporting date by discounted cash flow method which requires management to make certain assumptions with regard to revenue growth rate, cash flows, discount rate, credit risk, volatility etc. The Group carries out the fair valuation on an annual basis.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

- c) The Group has entered into foreign currency forward contract and Cross currency interest rate swap (CCIRS) to hedge the highly probable forecast transactions. The derivative financial instrument is entered with the financial institutions with investment grade ratings. Foreign exchange forward contracts and CCIRS are valued based on valuation models which include use of market observable inputs. The mark to market valuation is provided by the financial institution as at reporting date. The valuation of derivative contracts are categorised as level 2 in fair value hierarchy disclosure.
- d) The management assessed that cash and cash equivalent, trade receivables, trade payables, other financial assets(current), other financial liability (current), bank overdraft and cash credit, lease liabilities (current) and loans to employees approximates their fair value largely due to short-term maturities of these instruments. Further the management also estimates that the carrying amount of foreign currency term loan at fixed interest rates are the reasonable approximation of their fair value and the difference between carrying amount and their fair value is not significant.
- e) The Group has valued contingent consideration by using the monte carlo simulation approach.
- f) The fair value of remaining financial instruments are determined on transaction date based on discounted cash flows calculated using lending/ borrowing rate. Subsequently, these are carried at amortized cost. The carrying amount of the remaining financial instruments are the reasonable approximation of their fair value.

For financial assets carried at fair value, their carrying amount are equal to their fair value.

### iv) Valuation Inputs and relationship to fair value

	Level 3 inputs	Weighted range	Sensitivity
	March 31, 2025		
<b>Contingent consideration (Acquisition of PSTPL)</b>	Standard deviation on revenue and EBIDTA growth	5%	Increase and decrease in standard deviation by 1% would decrease and increase contingent consideration by ₹ 42 lakhs and ₹ 78 lakhs respectively.
	Discount rate	7%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 46 lakhs and ₹ 45 lakhs respectively.
<b>Optionally Convertible Redeemable Preference Shares (OCRPS) (Acquisition of PSTPL)</b>	Standard deviation on revenue and EBIDTA growth	5%	Increase and decrease in standard deviation by 1% would decrease and increase contingent consideration by ₹ 112 lakhs and ₹ 165 lakhs respectively.
	Discount rate	7%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 48 lakhs and ₹ 49 lakhs respectively.
<b>Contingent consideration (Acquisition of Aureus)</b>	Standard deviation on revenue and EBIDTA growth	4%	Increase and decrease in standard deviation by 1% would increase contingent consideration by ₹ 2 lakhs and ₹ 8 lakhs respectively.
	Discount rate	5%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 7 lakhs and ₹ 23 lakhs respectively.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	Level 3 inputs	Weighted range	Sensitivity
	March 31, 2024		
Contingent consideration (Acquisition of SMI)	Standard deviation on revenue and EBIDTA growth	5%	Increase and decrease in standard deviation by 1% would decrease and increase contingent consideration by ₹ 45 lakhs and ₹ 14 lakhs respectively.
	Discount rate	7%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 1 lakhs and ₹ 19 lakhs respectively.

### v) Reconciliation of Contingent consideration measured at FVTPL

	March 31, 2025	March 31, 2024
<b>As at April 1</b>	1,389	4,233
Acquisition of subsidiary - refer note 45	8,555	-
Amount recognised in profit and loss statement - refer note 30	526	205
Loss/(Gain) on re-measurement/derecognition - refer note 32	1,216	(1,402)
Settlement during the year	(1,401)	(1,659)
Foreign currency translation reserve	16	12
<b>As at March 31</b>	<b>10,301</b>	<b>1,389</b>

### vi) Reconciliation of OCRPS measured at FVTPL

	March 31, 2025	March 31, 2024
<b>As at April 1</b>		
Acquisition of subsidiary - refer note 45	4,741	-
Additions during the year	1,113	-
Amount recognised in profit and loss statement - refer note 30	311	-
Loss/(Gain) on re-measurement/derecognition - refer note 32	-	-
Settlement during the year	-	-
Foreign currency translation reserve	106	-
<b>As at March 31</b>	<b>6,272</b>	<b>-</b>

### Reconciliation of Investment in TECH4TH Solutions Inc. measured at FVOCI

	March 31, 2025	March 31, 2024
<b>As at April 1</b>	-	1,296
Investment during the period	-	-
Change in fair value recognised in other comprehensive income	-	(1,319)
Foreign currency translation reserve	-	23
<b>As at March 31</b>	<b>-</b>	<b>-</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 37 Financial risk management

The Group's principal financial liabilities comprise of borrowings, bank overdraft, lease obligation, contingent consideration, OCRPS, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include security deposits, investments, trade and other receivables, unbilled revenue and contract assets and cash and cash equivalents that is derived directly from its operations. The Group also enters into derivative transactions for hedging purpose.

The Group's activities exposes it to market risk, liquidity risk and credit risk. The Group's risk management is carried out by the management under the policies approved of the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Group. These risks are identified on a continuous basis and assessed for the impact on the financial performance. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, contingent considerations, OCRPS, trade receivables, unbilled revenues, contract assets and derivative financial instruments.

##### i. Foreign currency risk

The group's operates in various geographies and is exposed to foreign exchange risk on its various currency exposures. The risk of changes in foreign exchange rates relates primarily to the group's operating activities. The Group transacts in various currencies but foreign currency risk primarily arises from USD, GBP and EUR.

The group uses foreign currency forward contract and CCIRS governed by its board approved policy to mitigate its foreign currency risk that are expected to occur within the period for forecasted sales. The counterparty for these contracts is generally a reputed scheduled bank. The group reports quarterly to a committee of the board, which monitors foreign exchange risks and policies implemented to manage its foreign exchange exposures.

When a derivative is entered into for the purpose of being a hedge, the group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of sale that is denominated in the foreign currency.

Hedge effectiveness is determined at inception and periodic prospective effectiveness testing is done to ensure the relationship exist between the hedged items and hedging instruments, including whether the hedging instruments is expected to offset changes in cash flows of hedge items.

- a) The Group's exposure to non-derivative financial instruments in foreign currency at the end of reporting period :

Amount in Lakhs					
Currency	Particulars	March 31, 2025		March 31, 2024	
		FC	INR	FC	INR
	Financial assets				
USD	Trade receivables	229	19,556	202	16,829
	Loans	15	1,246	22	1,862
	Other financial assets	142	12,060	92	7,627
	Bank accounts	50	4,329	88	7,366
	Other assets	0	9	2	164
	Net exposure on foreign currency risk (assets)	436	37,199	406	33,848

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Amount in Lakhs					
Currency	Particulars	March 31, 2025		March 31, 2024	
		FC	INR	FC	INR
	<b>Financial liability</b>				
	Borrowings	333	28,466	226	18,807
	Trade payables	19	1,620	7	612
	Other financial liabilities	33	2,831	36	2,964
	Other liabilities	36	3,092	6	496
	<b>Net exposure on foreign currency risk (liabilities)</b>	<b>421</b>	<b>36,009</b>	<b>274</b>	<b>22,878</b>
	<b>Net exposure on foreign currency risk (assets-liabilities)</b>	<b>14</b>	<b>1,190</b>	<b>132</b>	<b>10,970</b>
EURO	<b>Financial assets</b>				
	Trade receivables	23	2,082	8	723
	Other financial assets	6	515	5	481
	Bank accounts	0	9	2	198
	Other assets	-	-	*	10
	<b>Net exposure on foreign currency risk (assets)</b>	<b>28</b>	<b>2,606</b>	<b>16</b>	<b>1,411</b>
	<b>Financial liability</b>				
	Borrowings	5	460	12.00	1,079
	Trade payables	-	-	*	*
	Other liabilities	-	37	1	54
	<b>Net exposure on foreign currency risk (liabilities)</b>	<b>5</b>	<b>497</b>	<b>13</b>	<b>1,134</b>
	<b>Net exposure on foreign currency risk (assets-liabilities)</b>	<b>23</b>	<b>2,109</b>	<b>3</b>	<b>278</b>
	<b>Financial assets</b>				
GBP	Trade receivables	4	458	6	598
	Other financial assets	2	227	1	155
	Bank accounts	5	541	2	194
	Other assets	*	*	*	32
	<b>Net exposure on foreign currency risk (assets)</b>	<b>11</b>	<b>1,226</b>	<b>9</b>	<b>979</b>
	<b>Financial liability</b>				
	Trade payables	0	44	1	68
	Other financial liabilities	6	660	4	439
	Other liabilities	1	81	1	76
	<b>Net exposure on foreign currency risk (liabilities)</b>	<b>7</b>	<b>786</b>	<b>6</b>	<b>583</b>
	<b>Net exposure on foreign currency risk (assets-liabilities)</b>	<b>4</b>	<b>440</b>	<b>3</b>	<b>395</b>
SGD	<b>Financial assets</b>				
	Trade receivables	17	1,084	-	-
	Other financial assets	14	915	-	-
	Bank accounts	13	851	-	-
	Other assets	-	-	-	-
	<b>Net exposure on foreign currency risk (assets)</b>	<b>45</b>	<b>2,849</b>	<b>-</b>	<b>-</b>
	<b>Financial liability</b>				
	Borrowings	-	-	-	-
	Trade payables	1	82	-	-
	Other financial liabilities	0	27	-	-
	Other liabilities	<b>4</b>	<b>227</b>	-	-
	<b>Net exposure on foreign currency risk (liabilities)</b>	<b>5</b>	<b>336</b>	<b>-</b>	<b>-</b>
	Net exposure on foreign currency risk (assets-liabilities)	39	2,513	-	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

The Group enters into derivative financial instruments such as foreign currency forward contracts and Cross currency interest rate swaps to mitigate the risk of changes in exchange rates. Details of the derivative contracts held by the Group are included in Note 36(B)

\* Represents number below rounding off norms of the Company.

- b) The sensitivity of profit or loss to changes in foreign exchange rates arising mainly from foreign currency denominated financial instrument:

	Impact on profit before tax	
	March 31, 2025	March 31, 2024
<b>USD sensitivity</b>		
INR/ USD increases by 5%	60	548
INR/ USD decreases by 5%	(60)	(548)
<b>EURO sensitivity</b>		
INR/ EURO increases by 5%	105	14
INR/ EURO decreases by 5%	(105)	(14)
<b>GBP sensitivity</b>		
INR/ GBP increases by 5%	22	20
INR/ GBP decreases by 5%	(22)	(20)
<b>SGD sensitivity</b>		
INR/ SGD increases by 5%	17	-
INR/ SGD decreases by 5%	(17)	-

\* Sensitivity is calculated holding all other variables constant

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

### ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument 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 Redeemable Non-convertible debenture (NCD)s with floating interest rates'. The Group was not exposed to interest rate risk as at March 31, 2025 since all its financial assets or liabilities were either non-interest bearing or are at fixed interest rate and are carried at amortised cost.

#### Sensitivity:

The impact of change in interest rate by +/- 50 basis point have an immaterial impact on the profit before tax of the Group. Hence, the sensitivity has not been disclosed.

### iii. Price risk

The Group exposure to price risk arises for investment in mutual funds, TECH4TH Solutions Inc and Solvio Inc. held by the Group. To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

#### Sensitivity:

The sensitivity of profit or loss to change in Net assets value (NAV) as at year end for investment in mutual funds.

	Impact on profit before tax	
	March 31, 2025	March 31, 2024
NAV increases by 5%	1,752	-
NAV decreases by 5%	(1,752)	-

### B) Impact of Hedge activities

- (i) The following provides the details of hedging instrument and its impact on balance sheet

	March 31, 2025					
	Maturity	Currency	Notional Amount (Foreign Currency)	Contracted amount in ₹	Lime item in the balance sheet	Fair value*
	Lakhs					
<b>Cash flow hedge of Foreign currency risk</b>						
(for highly probable forecast transactions)						
- Foreign currency forward contracts	< 1 year	INR/USD	447	38,503	Other financial assets/ (liabilities)	(39)
- Foreign currency forward contracts	< 1 year	INR/EURO	39	3,591	Other financial assets/ (liabilities)	80
- Cross currency interest rate swaps	<1 year	INR/USD	12	968	Other financial assets/ (liabilities)	(372)
	1-5 year	INR/USD	87	6957	Other financial assets/ (liabilities)	
	> 5year	INR/USD	32	2553	Other financial assets/ (liabilities)	

\* represents the impact of mark to market value at year end.



Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

March 31, 2024						
	Maturity	Currency	Notional Amount (Foreign Currency)	Contracted amount in ₹	Lime item in the balance sheet	Fair value*
Lakhs						
<b>Cash flow hedge of Foreign currency risk</b>						
<b>(for highly probable forecast transactions)</b>						
- Foreign currency forward contracts	< 1 year	INR/USD	575	48,301	Other financial assets/(liabilities)	45
- Foreign currency forward contracts	< 1 year	INR/EURO	22	2,005	Other financial assets/(liabilities)	(2)
- Cross currency interest rate swaps	<1 year	INR/USD	10	838	Other financial assets/(liabilities)	(82)
	1-5 year	INR/USD	78	6,225	Other financial assets/(liabilities)	
	> 5year	INR/USD	53	4254	Other financial assets/(liabilities)	

\* represents the impact of mark to market value at year end.

(ii) The effect of cash flow hedge in hedge reserve and statement of profit and loss:

	Foreign currency forward contracts	Cross currency interest rate swaps	Total
<b>Balance as at April 1, 2023</b>	<b>(75)</b>	<b>(255)</b>	<b>(330)</b>
Hedge gain/(loss) recognised in Other Comprehensive Income (OCI)	43	(82)	(39)
Amount reclassified from OCI to statement of profit and loss	101	341	442
Income tax effect	(36)	(65)	(101)
<b>Balance as at March 31, 2024</b>	<b>33</b>	<b>(61)</b>	<b>(28)</b>
Hedge gain/(loss) recognised in Other Comprehensive Income (OCI)	41	(372)	(331)
Amount reclassified from OCI to statement of profit and loss	(43)	83	40
Income tax effect	0	73	73
<b>Balance as at March 31, 2025</b>	<b>31</b>	<b>(278)</b>	<b>(246)</b>

Amounts reclassified from the OCI is recognised in foreign exchange gain or loss in Statement of Profit and Loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

C) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables, unbilled revenue and contract assets) and from its investing activities and from investing activities (primarily deposits with banks).

Revenue from one customer comprises around 9% of the total revenue of the Group. The remaining revenue of the Group is spread across wide range of customers. For receivables turnover ratio, refer note 45.

(i) Trade receivables, unbilled revenue and contract assets.

Trade receivables, unbilled revenue and contract assets are typically unsecured and derived from revenue from contracts with customers. Customer credit risks is managed by each business units subject to Group's policy and procedures which involves continuously monitoring the credit worthiness of customers to which the Group grants credits in the normal course of business. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Losses (ECLs) at each reporting date, right from initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Group's historical experience with customers.

Reconciliation of loss allowance - trade receivables	March 31, 2025	March 31, 2024
Opening balance as at April, 1	(1,157)	(781)
Loss allowance from acquisition of subsidiary	(442)	
Allowance made during the year (net) - refer note 31A	(1,602)	(530)
Utilised/written-off during the year	560	159
Exchange difference	6	(5)
<b>Closing balance as at March, 31</b>	<b>(2,635)</b>	<b>(1,157)</b>

Reconciliation of loss allowance - unbilled revenue and other financial assets	March 31, 2025	March 31, 2024
Opening balance as at April, 1	(274)	(280)
(Allowance)/utilisation made during the year - refer note 31A	(12)	6
<b>Closing balance as at March, 31</b>	<b>(286)</b>	<b>(274)</b>

(ii) Other financial assets and cash deposit

Credit risk from balances with the banks, loans, investments in mutual funds and other financial assets are managed by the Group based on the Group policy and is managed by the Group's Treasury Team. Investment of surplus fund is made only with approved counterparties. The Group's maximum exposure to credit risk is the carrying amount of such assets as disclosed in note 36 above.

D) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective it to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its position and maintains adequate source of financing.

The Group has access to undrawn borrowing facilities amounting to ₹ 21,370 lakhs (March 31, 2024: ₹ 18,054 lakhs) at the end of March 31, 2025.

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	On demand	Less than 1 year	More than 1 year	Total
<b>As at March 31, 2025</b>				
Borrowings (including current maturities)	58,931	23,622	33,537	116,090
Lease liabilities	-	3,832	5,311	9,143
Trade payables	-	10,481	-	10,481
Foreign currency forward contracts	-	217	613	830
Contingent consideration	-	8,953	1,528	10,481
OCRPS liability	-	-	5,533	5,533
Other financial liabilities #	-	5,453	-	5,453
	<b>58,931</b>	<b>52,559</b>	<b>46,521</b>	<b>158,011</b>
<b>As at March 31, 2024</b>				
Borrowings (including current maturities)	573	36,850	13,914	51,337
Lease liabilities	-	2,925	5,082	8,008
Trade payables	-	7,915	-	7,915
Foreign currency forward contracts	-	68	401	469
Contingent consideration	-	1,389	-	1,389
Other financial liabilities #	-	6,141	3,241	9,382
	<b>573</b>	<b>55,289</b>	<b>22,638</b>	<b>78,500</b>

# Includes future interest payable on outstanding borrowings

### 38 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves. The primary objective of the Group's capital management is to maintain a strong capital base to ensure sustained growth in business and to maximize the shareholders value. The capital management focuses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Group's gearing ratio, which is net debt divided by total capital plus net debt is as below:

Particulars	March 31, 2025	March 31, 2024
Borrowings (including current maturities)	1,16,090	44,237
Less : Cash and cash equivalents	(11,912)	(11,470)
<b>Net (cash and cash equivalents)/debt (A)</b>	<b>1,04,179</b>	<b>32,767</b>
Equity	1,57,458	1,48,024
<b>Total equity capital (B)</b>	<b>1,57,458</b>	<b>1,48,024</b>
<b>Total debt and equity (C)=(A)+(B)</b>	<b>2,61,636</b>	<b>1,80,791</b>
<b>Gearing ratio (A)/(C)</b>	<b>40%</b>	<b>18%</b>

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

During the year the group has not defaulted in any loan covenants.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 39 Related party disclosure

<b>Key management personnel (KMP)</b>	1. Mr. Ashok Soota (Executive Chairman) 2. Mr. Venkatraman Narayanan (Managing Director and CFO) 3. Mr. Joseph Vinod Anantharaju (Director) 4. Mr. Rajiv Indravadan Shah (Director) 5. Mr. Praveen Darshankar (Director & Company Secretary) 5. Mrs. Anita Ramachandran (Independent Director) 6. Mr. Rajendra Kumar Srivastava (Lead Independent Director) 7. Mrs. Shuba Rao Mayya (Independent Director) 8. Mr. Seshashayee Sampathiyengar Sridhara (Independent Director, w.e.f August.05.2024)
<b>Relatives of KMP</b>	1. Mr. Deepak Soota 2. Ms. Kunku Soota 3. Ms. Suresh Soota 4. Ms. Veena Soota 5. Mrs. Usha Samuel 6. Mrs. Jayalakshmi Venkatraman
<b>Entities under the control of KMP</b>	SKAN Research Trust Happiest Health Systems Private Limited Ashok Soota Medical Research LLP
<b>Post employment benefit plan (PEBP)</b>	Happiest Minds Technologies Pvt. Ltd. Employees group gratuity trust

a) **The following table is the summary of significant transactions with related parties by the Group:**

	March 31, 2025	March 31, 2024
(i) <b>Sale of service</b>		
SKAN Research Trust	1,110	605
Ashok Soota Medical Research LLP	19	53
Happiest Health Systems Private Limited	1,760	2,788
(ii) <b>Director's sitting fees:</b>		
Mrs. Anita Ramachandran	23	27
Mr. Rajendra Kumar Srivastava	21	16
Mrs. Shuba Rao Mayya	22	27
Mr. Seshashayee Sampathiyengar Sridhara	8	-
(iii) <b>Commission to Directors</b>		
Mrs. Anita Ramachandran	7	3
Mr. Rajendra Kumar Srivastava	14	19
Mrs. Shuba Rao Mayya	8	3
Mr. Seshashayee Sampathiyengar Sridhara	22	-
(iv) <b>Contribution made to post employee benefit plan:</b>		
Happiest Minds Technologies Pvt. Ltd. Employees group gratuity trust	281	300
(v) <b>Legal and professional fees</b>		
Happiest Health Systems Private Limited	62	72
(vi) <b>Advertising and business promotion expenses</b>		
Happiest Health Systems Private Limited	43	16
(vii) <b>Managerial remuneration# :</b>		
Mr. Venkatraman Narayanan		

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
Salary, wages and bonus	171	155
Mr. Ashok Soota		
Salary, wages and bonus	182	155
Mr. Praveen Darshankar		
Salary, wages and bonus	63	60
Employee stock compensation expense	-	*
Mr. Joseph Vinod Anantharaju		
Salary, wages and bonus	432	415
Mr. Rajiv Shah		
Salary, wages and bonus	365	-
#As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the Group as a whole, the amount pertaining to the Directors are not included above.		
* amount below rounding off norm of the Group		
viii) <b>Dividend paid</b>		
Mr. Joseph Vinod Anantharaju	24	25
Mr. Ashok Soota	3,129	3,502
Mr. Venkatraman Narayanan	28	30
Ashok Soota Medical Research LLP	1,032	1,059
Deepak Soota	3	3
Suresh Soota	-	2
Kunku Soota	1	1
Usha Samuel	4	4
Jayalakshmi Venkatraman	-	7
Praveen Kumar Darshankar	3	3
Rajiv Shah	10	-
Veena Soota	1	-

### b) The balances receivable from and payable to related parties are as follows :

	March 31, 2025	March 31, 2024
(i) <b>Trade receivables:</b>		
SKAN Research Trust	470	52
Happiest Health Systems Private Limited	464	652
Ashok Soota Medical Research LLP	6	5
(ii) <b>Unbilled receivables:</b>		
SKAN Research Trust	49	64
Happiest Health Systems Private Limited	185	-
(iii) <b>Trade Payables</b>		
Happiest Health Systems Private Limited	-	2
(iv) <b>Commission payable</b>		
Mrs. Anita Ramachandran	7	3
Mr. Rajendra Kumar Srivastava	14	19
Mrs. Shuba Rao Mayya	8	3
Mr. Seshashayee Sampathiyengar Sridhara	22	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2025 and March 31, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

\* amount below rounding off norm of the Group

## 40 Corporate Social Responsibility ('CSR') expenditure

Details of CSR expenditure are as follows:

		March 31, 2025	March 31, 2024
(a) Gross amount required to be spent by the Group during the year		640	466
(b) Amount approved by the board to be spent during the year		655	470
(c) Amount spent during the year ending on March 31, 2025 :	In cash	Yet to be paid in cash	Total
i) Construction/ Acquisition of any asset	4	-	4
ii) On purpose other than above	475	176	651
(d) Amount spent during the year ending on March 31, 2024 :	In cash	Yet to be paid in cash	Total
i) Construction/ Acquisition of any asset	-	-	-
ii) On purpose other than above	246	224	470
(e) Details related to spent/ unspent obligations:			
i) Contribution to Public Trust		-	-
ii) Contribution to Charitable Trust		479	246
ii) Unspent amount in relation to:			
- Ongoing project		140	224
- Other than ongoing project		36	-
		655	470

### Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing balance	
With Company	In Separate CSR unspent A/c		From Company's bank A/c	From separate CSR unspent A/c	With Company	In separate CSR unspent A/c
-	224	604	479	224	125	-

In case of S. 135(5) (Other than ongoing Project)				
Opening balance	Amount deposited in specified fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
-	-	36	-	36

In case of S. 135(5) Excess amount spent			
Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
(39)	640	655	(54)

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 41 Interest in other entities

#### a) Subsidiary

The Group's subsidiary is set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group and 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	Principle Activity	Country of Incorporation	Ownership interest held by the group % March 31, 2025	Ownership interest held by the group % March 31, 2024
Happiest Minds Inc. (formerly known as PGS Inc.)	IT Services	USA	100%	100%
Sri Mookambika Infosolutions Private Limited	IT Services	India	100%	100%
PureSoftware Technologies Private Limited	IT Services	India	100%	0%
PureSoftware Pte Limited, Singapore ("PS Pte Ltd")	IT Services	Singapore	100%	0%
PureSoftware Corp, USA	IT Services	USA	100%	0%
PureSoftware Technology, S de R L de C.V, Mexico	IT Services	Mexico	100%	0%
PureSoftware Sdn Bhd, Malaysia	IT Services	Malaysia	100%	0%
PureSoftware Pty Ltd, Australia	IT Services	Australia	100%	0%
PureSoftware HK Limited, Hong Kong	IT Services	Hong Kong	100%	0%
PureSoftware Africa Ltd, Kenya	IT Services	Kenya	100%	0%
PureSoftware Technologies Romania S.R.L, Romania	IT Services	Romania	100%	0%
PureSoftware Private Limited, Nepal	IT Services	Nepal	100%	0%
PureConference Solutions Private Limited, India	IT Services	India	100%	0%
PureSoftware Private Limited, UK	IT Services	UK	100%	0%
Aureus Tech Systems LLC	IT Services	USA	100%	0%
Aureus Tech Systems Private Limited	IT Services	India	100%	0%
Happiest Minds Edutech Private limited (formerly know as Macmillan Learning India Private limited)	IT Services	India	100%	0%
InnovazIT Technologies LLC	IT Services	Dubai	100%	0%
GAVS Technologies LLC	IT Services	Oman	100%	0%
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	IT Services	Saudi	100%	0%

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

#### b) Additional information, as required under schedule III of the Companies Act, 2013, as required enterprises considered as subsidiary.

Particular	March 31, 2025							
	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated net assets	Amount	As a % of Consolidated profit or loss	Amount	As a % of Consolidated OCI	Amount	As a % of Consolidated TCI	Amount
<b>Parent company</b>								
Happiest Minds Technologies Ltd	98.6%	155,211	91.3%	16,856	97.1%	(591)	91.1%	16,265
<b>Subsidiary</b>								
Happiest Minds Inc. (formerly known as PGS Inc.)	1.6%	2,463	17.0%	3,132	65.3%	(397)	15.3%	2,735
Sri Mookambika Infosolutions Private Limited	0.9%	1,419	16.1%	2,976	7.1%	(43)	16.4%	2,933
PureSoftware Technologies Private Limited	2.7%	4,174	29.7%	5,477	0.9%	(6)	30.6%	5,472
Aureus Tech Systems LLC	0.5%	742	1.7%	312	3.6%	(22)	1.6%	290
Happiest Minds Edutech Private limited (formerly know as Macmillan Learning India Private limited)	0.3%	464	0.0%	(8)	(4.8%)	29	0.1%	21
InnovazIT Technologies LLC	0.2%	332	(0.2%)	(33)	0.0%	-	(0.2%)	(33)
GAVS Technologies LLC	0.4%	650	(0.1%)	(9)	0.0%	-	(0.1%)	(9)
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	(0.0%)	(22)	(0.2%)	(37)	0.0%	-	(0.2%)	(37)
<b>Other adjustments:</b>	(5.1%)	(7,975)	(55.2%)	(10,200)	(69.1%)	421	(54.8%)	(9,779)
<b>Total</b>	<b>100%</b>	<b>157,458</b>	<b>100%</b>	<b>18,466</b>	<b>100%</b>	<b>(609)</b>	<b>100%</b>	<b>17,857</b>

March 31, 2024								
Particular	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated net assets	Amount	As a % of Consolidated profit or loss	Amount	As a % of Consolidated OCI	Amount	As a % of Consolidated TCI	Amount
<b>Parent company</b>								
Happiest Minds Technologies Ltd	99.6%	147,370	98.9%	24,573	(2.4%)	21	102.6%	24,594
<b>Subsidiary</b>								
Happiest Minds Inc. (formerly known as PGS Inc.)	(0.2%)	(288)	10.4%	2,594	119.1%	(1,042)	6.5%	1,552
Sri Mookambika Infosolutions Private Limited	1.2%	1,836	7.3%	1,821	(2.6%)	23	7.7%	1,844
<b>Other adjustments:</b>	(0.6%)	(894)	(16.7%)	(4,149)	(14.1%)	123	(16.8%)	(4,026)
<b>Total</b>	<b>100%</b>	<b>148,024</b>	<b>100%</b>	<b>24,839</b>	<b>100%</b>	<b>(875)</b>	<b>100%</b>	<b>23,964</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 42 Commitments and Contingent Liabilities

#### i) Contingent Liabilities:

	March 31, 2025	March 31, 2024
Claims against the Company, not acknowledged as debts (including interest and penalty)		
Income Tax - relating to Disallowance of expense	834	-
Goods and Service Tax - denial of input tax credit on expenses and difference in GSTR-3B and GSTR-1	836	-

#### ii) Capital Commitments

	March 31, 2025	March 31, 2024
Capital commitments towards purchase of capital assets	892	413

#### iii) Other claims against the Company not provided for in the books

- a) The Company is also subject to certain other claims and suits that arise from time to time in the ordinary course of its business. While the Company currently believes that such claims, individually or in aggregate, will not have a material adverse impact on its financial position, cash flows, or results of operations, the litigation and other claims are subject to inherent uncertainties, and management's view of these matters may change in the future. Were an unfavourable final outcome to occur in any one or more of these matters, there exists the possibility of a material adverse impact on the Company's business, reputation, financial condition, cash flows, and results of operations for the period in which the effect becomes reasonably estimable.

### 43 Segment Information

The Group executive management committee examines the Group's performance on the basis of its business units and has identified three reportable segments. The Group has established new business unit Generative AI Business Services (GBS) and re-structured two of its existing business units, namely Digital Business Services ("DBS") and Product Engineering Services ("PES") by merging into new business unit Product and Digital business service ("PDES"). The Business unit Infrastructure Management & Security Services (IMSS) continues to operate in the same name. This new structure is effective April 01, 2024. The information for earlier periods basis the new segment has not been restated as the information is not readily available and cost to identify the information would be excessive. Similarly, the information for the current period on both old basis and new basis of segmentation has not been disclosed for similar reason.

#### A. Segment revenue, segment results other information as at/ for the year:

##### Year ended March 31, 2025

	IMSS	PDES	GBS	Total
<b>Revenue from contracts with customers</b>				
External customers	32,832	169,691	3,562	206,084
Inter-segment				-
<b>Segment revenue</b>	<b>32,832</b>	<b>169,691</b>	<b>3,562</b>	<b>206,084</b>
<b>Segment results</b>	<b>9,176</b>	<b>39,745</b>	<b>(1,339)</b>	<b>47,583</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

#### Reconciliation to profit after tax:

Interest income	8,976
Net gain on investments carried at fair value through profit or loss	1,240
Unallocable income	(79)
Unallocable finance cost	(5,947)
Unallocable depreciation and amortisation expenses	(4,317)
Other unallocable expenses	(21,911)
Tax	(7,080)
<b>Profit for the year</b>	<b>18,466</b>

	IMSS	PDES	GBS	Total
<b>Segment assets</b>	10,639.12	1,52,035.08	248.27	1,62,922.47
<b>Reconciliation to total assets:</b>				
Investments				35,039
Derivative instruments				499
Other unallocable assets				1,37,446
<b>Total</b>				<b>3,35,906</b>

	IMSS	PDES	GBS	Total
Segment liability	2,648	44,039	3	46,690
<b>Reconciliation to total liabilities:</b>				
Borrowings				63,559
Other unallocable liabilities				68,199
<b>Total</b>				<b>1,78,448</b>

#### Year ended March 31, 2024

	IMSS	PDES	GBS	Total
<b>Revenue from contracts with customers</b>				
External customers	29,746	1,32,720	-	1,62,466
Inter-segment	-	-	-	-
<b>Segment revenue</b>	<b>29,746</b>	<b>1,32,720</b>	<b>-</b>	<b>1,62,466</b>
<b>Segment results</b>	<b>7,751</b>	<b>45,070</b>	<b>-</b>	<b>52,821</b>

#### Reconciliation to profit after tax:

Interest income	7,958
Net gain on investments carried at fair value through profit or loss	18
Other unallocable income	561
Unallocable finance cost	(4,022)
Unallocable depreciation and amortisation expenses	(3,672)
Other unallocable expenses	(20,196)
Tax	(8,629)
<b>Profit for the year</b>	<b>24,839</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

	IMSS	PDES	GBS	Total
<b>Segment assets</b>	7,291	55,362	-	62,653
<b>Reconciliation to total assets:</b>				
Investments				-
Derivative instruments				430
Other unallocable assets				161,696
<b>Total</b>				<b>224,779</b>

	IMSS	PDES	GBS	Total
<b>Segment liability</b>	2,131	8,979	-	11,110
<b>Reconciliation to total liabilities:</b>				
Borrowings				44,237
Other unallocable liabilities				21,408
<b>Total</b>				<b>76,755</b>

### Note

- (i) Assets (other than certain Goodwill and Intangible assets, trade receivable and unbilled revenue) and liabilities (other than unearned revenue) of the Group are used interchangeably between segments, and the management believes that it can not be allocated to specific segment.
- (ii) The expense / income that are not directly attributable and that cannot be allocated to a business segment on a reasonable basis are shown as unallocable expenses.

### B. Entity-wide disclosures

- i) The amount of revenue from external customers broken down by location of customers is shown below:

	For the year ended	
	March 31, 2025	March 31, 2024
India	32,033	26,668
USA	1,33,134	1,14,289
Europe	16,779	14,751
Others	24,139	6,758
	<b>2,06,084</b>	<b>1,62,466</b>

- ii) The break-up of non-current assets by location of assets is shown below:

	As at	
	March 31, 2025	March 31, 2024
India	1,03,061	32,745
USA	17,173	8,579
Middle East	647	-
Others	251	1
	<b>1,21,133</b>	<b>41,325</b>

Non-current assets for this purpose consists of Property, plant and equipment, intangible assets and right-of-use assets.

- iii) Revenue from customers of the Group which is individually more than 10 percent of the Group's total revenue:

	For the year ended	
	March 31, 2025	March 31, 2024
One customer	9.12%	11.82%

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

### 44 Share based payments

#### Employee Share Option Plan (ESOP)

the Parent instituted the Employee Share Option Plan 2011 ("ESOP 2011") and Equity Incentive Plan 2011 ("EIP 2011") for eligible employees during the year ended March 2012 which was approved by the Board of Directors (Board) on October 18, 2011 and January 19, 2012 duly amended by the Board on January 22, 2015.

Besides the above plan, the Parent has also instituted Employee Share Option Plan 2014 ("ESOP 2014") duly approved by the Board on October 20, 2014 and by the shareholders on January 22, 2015. the Parent has also instituted Employee Share Option Plan 2015 ("ESOP 2015") duly approved by the Board on June 30, 2015 and by the shareholders on July 22, 2015. During year ended 2018, the Parent has amended ESOP 2014 and all options granted under ESOP 2014 be deemed to be granted under ESOP 2011 duly approved by the Board on October 25, 2017. The plans are separate for USA employees (working out of the United States America - "USA") and employees working outside USA. the Parent administers these plans.

On April 29, 2020 the Board of the Parent approved Happiest Minds Employee Stock Option Scheme 2020 ("ESOP 2020") consisting of 70,00,000 equity shares. the Parent will henceforth issue grants under the ESOP 2020 only.

The contractual term of each option granted is 5-8 years.

Key features of these plans are provided in the below table:

Key Terms	ESOP 2011	ESOP 2014 / EIP 2011 for US Employees	ESOP 2015 / EIP 2011 for US Employees	ESOP 2020
Class of Share	Equity Shares (as amended vide board meeting held on April 26, 2017 and Annual general meeting held on July 31, 2017).	Pursuant to conversion of Class B Non-voting Equity Shares (entitled under ESOP 2014) to Equity shares (as amended vide board meeting held on April 26, 2017 and Annual general meeting held on July 31, 2017), the Board of Directors at its meeting held on October 25, 2017 approved the administration of options granted and shares allotted under erstwhile ESOP 2014 to ESOP 2011.	Equity Shares (as amended vide board meeting held on April 26, 2017 and Annual general meeting held on July 31, 2017).	Equity Shares (as amended vide board meeting held on April 29, 2020 and extra ordinary general meeting held on May 13, 2020).
Ownership	Legal Ownership	Legal Ownership	Legal Ownership	Legal Ownership
Vesting Pattern	Four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1,2,3 and 4 years respectively from the date of grant and become fully exercisable, subject to employee being in the employment of the Parent.			
Exercise Price	Exercisable at an exercise price of ₹ 2, ₹ 3, ₹ 5 and ₹ 6 per option.	Exercisable at an exercise price of ₹ 2 and ₹ 6 per option.	Exercisable at an exercise price of ₹ 2, ₹ 6.25, ₹ 9.50, ₹ 11.50 and ₹ 26 per option.	No grant has been made under this scheme
Economic Benefits / Voting Rights	The holders of the equity shares will be entitled to the economic benefits of holding these shares only after the completion of the various vesting terms mentioned above and shall acquire voting rights as a shareholder of the Parent as duly approved by the shareholders at the meeting held on July 31, 2017.			

	For the year ended	
	March 31, 2025	March 31, 2024
Employee stock compensation expense	-	47

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Movements during the year

The following table illustrates the number and weighted average exercise price of share options during the year

March 31, 2025

Options - India/UK Plan	Employee Stock Ownership Plan 2011		Employee Stock Ownership Plan 2015	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	-	-	11,86,869	25.95
Granted during the year	-	-	-	-
Exercised during the year	-	-	(6,94,066)	26.00
Forfeited during the year	-	-	(8,135)	26.00
Outstanding options as at the end of the year	-	-	484,668	25.89
Weighted Average Remaining Contractual Life	-	-	2.03 years	

Options - USA Plan	Equity Incentive Plan for US Employees-2011		Equity Incentive Plan for US Employees-2011	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	-	-	11,650	26.00
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	0.00
Forfeited during the year	-	-	-	-
Outstanding options as at the end of the year	-	-	11,650	26.00
Weighted Average Remaining Contractual Life	-	-	0.86 years	

March 31, 2024

Options - India/UK Plan	Employee Stock Ownership Plan 2011		Employee Stock Ownership Plan 2015	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	-	-	19,92,633	25.95
Granted during the year	-	-	-	-
Exercised during the year	-	-	(7,51,716)	25.93
Forfeited during the year	-	-	-54,049	26.00
Outstanding options as at the end of the year	-	-	11,86,869	25.95
Weighted Average Remaining Contractual Life	-	-	2.89 years	

Options - USA Plan	Equity Incentive Plan for US Employees-2011		Equity Incentive Plan for US Employees-2011	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	-	-	19,475	26.00
Granted during the year	-	-	-	-
Exercised during the year	-	-	(7,825)	26.00
Forfeited during the year	-	-	-	-
Outstanding options as at the end of the year	-	-	11,650	26.00
Weighted Average Remaining Contractual Life	-	-	1.85 years	

\*Weighted Average Exercise Price

No options were granted during the year (March 31, 2024 - Nil)

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

The weighted average share price of shares exercised during the year is ₹ 770.44 (March 31, 2024 - ₹ 875.62)

Exercisable options as at March 31, 2025 - 4,96,318 options (March 31, 2024 - 11,98,519 options) and weighted average exercise price - ₹ 25.93 (March 31, 2024 - ₹ 25.96)

45 Business Combinations and Asset Acquisition

A Business Combinations

- (a) On May 24, 2024, the Group acquired entire membership interest of Aureus Tech System LLC ('Aureus'), USA for total consideration of ₹ 9,574 lakhs, comprising cash consideration of ₹ 7,149 lakhs and fair value of contingent consideration of ₹ 2,425 lakhs payable over next two years. The contingent consideration is indexed to EBITDA and revenues of financial year 2024-25 and 2025-26 and the maximum contingent consideration payable is ₹ 7,098 lakhs. Aureus provides digital engineering and digital transformation services, specializing in the insurance sector. The objective of the acquisition is to enhance the Company's presence in the insurance sector and expand its delivery footprint in Hyderabad, India

The following table presents the purchase consideration, fair value of assets and liabilities acquired and goodwill recognised on the date of control.

Details of Fair value recognised on acquisition:

	Amount
Property, plant and equipment	67
Intangible assets	4,398
Right-of-use assets	48
Trade receivables	677
Cash and cash equivalent	528
Other Financial assets	452
Other assets	666
Deferred tax (net)	26
Other Provisions	(108)
Borrowings	(396)
Lease Liabilities	(52)
Other current liabilities	(1,486)
Trade payables	(28)
<b>Total fair value of net assets acquired (A)</b>	<b>4,792</b>
<b>Fair value of purchase consideration (B)</b>	<b>9,574</b>
<b>Goodwill arising on acquisition (C) - (A-B)</b>	<b>4,782</b>

The goodwill of ₹ 4,782 lakhs represents the skilled workforce, domain capabilities and expected synergies arising from expanding the Group's service to other customers. Goodwill is allocated to PDES segment and is not deductible for tax purpose.

Purchase consideration	Amount
Cash consideration	7,149
Contingent consideration	2,425
<b>Total purchase consideration</b>	<b>9,574</b>

The Group has re-measured the fair value of the contingent consideration and the change in fair value of ₹ 1,128 Lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31, 2025. Refer Note 32.

Transaction costs amounting to ₹ 38 lakhs relating to the acquisition have been expensed and are included in other expenses.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Revenue and profit contribution:

The acquired business contributed revenues of ₹ 4,698 lakhs and net loss after tax of ₹ 164 lakhs to the Group post acquisition.

If the acquisition had occurred on April 1, 2024, revenue would have increased by ₹ 997 lakhs and net loss after tax by ₹ 218 lakhs respectively for the year ended March 31, 2025. These amounts have been calculated using the subsidiary's financial statements and adjusting them for:

- a) differences in the accounting policies between the Group and the subsidiary, and
- b) the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from April 1, 2024, together with the consequential tax effects.
- (b) On May 22, 2024, the Group acquired entire equity interest of PureSoftware Technologies Private Limited ('PSTPL'), India for total consideration of ₹ 75,044 lakhs, comprising cash consideration of ₹ 64,229 lakhs, consideration payable towards cancellation of share based payments of ₹ 399 lakhs and fair value of contingent consideration of ₹ 10,415 lakhs payable over next two years. The contingent consideration is indexed to EBITDA and PSTPL's revenues for the financial year 2024-25 and 2025-26. and the maximum contingent consideration payable is ₹ 29,225 lakhs.

PSPTL provides digital engineering and digital transformation services, specializing in the financial services and healthcare sector. PSPTL also offers a Banking as a Service platform ('Arttha') to customers in the financial services industry. The objective of the acquisition is to enhance the Company's presence in the financial services and healthcare industries.

The following table presents the purchase consideration, fair value of assets and liabilities acquired and goodwill recognised on the date of control.

Details of Fair value recognised on acquisition:

	Amount
Property, plant and equipment	338
Intangible assets	15,718
Right-of-use assets	500
Trade receivables	8,152
Cash and cash equivalent	2,215
Other financial assets	93
Other assets	284
Provisions for employee benefits	(1,017)
Other Provisions	(2,401)
Lease liabilities	(517)
Other Financial liabilities	(270)
Current tax liabilities	(43)
Other current liabilities	(109)
Trade payables	(1,271)
Deferred tax liability (including intangible assets)	(3,368)
Total fair value of net assets acquired (A)	18,304
Fair value of purchase consideration (B)	75,044
Goodwill arising on acquisition (C) - (A-B)	56,740

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

The goodwill of ₹ 56,655 lakhs represents the skilled workforce, domain capabilities and expected synergies arising from expanding the Group's service to other customers. Goodwill is allocated to PDES segment and is not deductible for tax purpose.

Purchase consideration	Amount
Cash consideration	64,229
Cancellation of share based payments	399
Contingent Consideration	5,674
Payment against OCRPS	4,741
Total purchase consideration	75,044

The Group has re-measured the fair value of the contingent consideration and the change in fair value of ₹ 2,344 Lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31, 2025. Refer Note 32.

Transaction costs amounting to ₹ 605 lakhs relating to the acquisition have been expensed and are included in other expenses.

Revenue and profit contribution:

The acquired business contributed revenues of ₹ 35,065 lakhs and net profit after tax of ₹ 3,917 lakhs to the Group post acquisition.

If the acquisition had occurred on April 1, 2024, revenue would have increased by ₹ 4,857 lakhs and net profit after tax of ₹ 331 lakhs respectively for the year ended March 31, 2025. These amounts have been calculated using the subsidiary's financial statements and adjusting them for:

- a) differences in the accounting policies between the Group and the subsidiary, and
- b) the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from April 1, 2024, together with the consequential tax effects.
- (c) On February 1, 2025, the Group entered into a share purchase agreement with GAVS Technologies Limited, BVI to acquire entire equity interest in InnovazIT Technologies LLC, Dubai; GAVS Technologies LLC, Oman and GAVS Technologies Saudi Arabia for Telecommunications and Information Technology, Saudi Arabia (these three entities together are referred as 'GAVS Middle East') for a total consideration of ₹ 1,689 lakhs, entirely comprising cash consideration. As a result of this acquisition the Group recorded goodwill of ₹ 344 lakhs and other intangible assets of ₹ 276 lakhs.

GAVS Middle East specializes in application development, maintenance, and infrastructure support services and provides the company access to certain marquee BFSI customer in the Middle East.

The following table presents the purchase consideration, fair value of assets and liabilities acquired and goodwill recognised on the date of control.



**Notes to the Consolidated Financial Statements for the year ended March 31, 2025**

(All amounts in ₹ lakhs, unless otherwise stated)

**Details of Fair value recognised on acquisition:**

	Amount
Property, plant and equipment	3
Intangible assets	276
Right-of-use assets	18
Trade receivables	1,157
Cash and cash equivalent	410
Other Financial assets	539
Other assets	141
Deferred tax asset	66
Borrowings	(366)
Lease Liabilities	(19)
Other financial liabilities	(102)
Other liabilities	(49)
Provisions	(436)
Trade payables	(310)
<b>Total fair value of net assets acquired (A)</b>	<b>1,328</b>
<b>Fair value of purchase consideration (B)</b>	<b>1,689</b>
<b>Goodwill arising on acquisition (C)- (A-B)</b>	<b>361</b>

The goodwill of ₹ 344 lakhs represents the skilled workforce, domain capabilities and expected synergies arising from expanding the Group's service to other BFSI customers. Goodwill is allocated to IMSS segment and is not deductible for tax purpose.

Purchase consideration	Amount
Cash consideration Paid	1,299
Cash Consideration Payable	390
<b>Total purchase consideration</b>	<b>1,689</b>

**Revenue and profit contribution:**

The acquired business contributed revenues of ₹ 739 lakhs and net loss after tax of ₹ 87 lakhs to the Group post acquisition.

If the acquisition had occurred on April 1, 2024, revenue would have been ₹ 2,10,402 lakhs and net profit after tax of ₹ 18,385 lakhs respectively for the year ended March 31, 2025. These amounts have been calculated using the subsidiary's financial statements and adjusting them for:

- a) differences in the accounting policies between the Group and the subsidiary, and
- b) the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from April 1, 2024, together with the consequential tax effects.

**B Asset Acquisition**

On April 18, 2024, the Group acquired entire equity interest in Happiest Minds Edutech Private Limited (erstwhile Macmillan Learning India Private Limited) for a total cash consideration of ₹ 445 lakhs. Macmillan provides development, testing, enhancement and maintenance services solely to Intellus Learning LLC. The primary assets acquired were cash and cash equivalents of ₹ 468 lakhs, trade receivables of ₹ 86 lakhs and short term liabilities of ₹ 109 lakhs. Accordingly, the Group has accounted for this purchase as an asset acquisition.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2025**

(All amounts in ₹ lakhs, unless otherwise stated)

**46 Additional Information**

**(a) Ratio analysis and its elements**

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.66	3.14	(47)%	Increased current liabilities arising from overdraft facilities used to finance a business acquisition
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.79	0.35	128%	Increased debt arising from overdraft facilities used for financing the business acquisition.
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments (excludes repayments for Packing credit foreign currency loan)	8.54	5.25	63%	
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.12	0.22	(44)%	Increase in PDD and loss on remeasurement of contingent consideration which is classified as 'Exceptional item'.
Trade Receivable Turnover Ratio	Net revenue	Average Trade Receivable	6.73	6.95	(3)%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.54	3.59	(2)%	
Net Capital Turnover Ratio	Net revenue	Working capital = Current assets – Current liabilities	2.60	1.34	94%	Increased current liabilities arising from overdraft facilities used for financing the business acquisition.
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.09	0.15	(41)%	Increase in PDD and loss on remeasurement of contingent consideration which is classified as 'Exceptional item'.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Change	Reason for variance
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax liability	0.20	0.21	(8)%	Increase in PDD and loss on remeasurement of contingent consideration which is classified as 'Exceptional item' has impact on EBIT. Also, amount borrowed for the business acquisition has resulted in increase in debt.
Return on Investment	Interest (Finance Income) and gain from mutual funds	Investments (includes mutual funds, and fixed deposits)	0.07	0.08	(14)%	

- (b) The Group has not given any loans and advances in the nature of loan granted to promoters, Directors and KMPs.
- (c) The Group has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (d) The Group does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.
- (e) The Group does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- (f) The Group 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
- (g) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (h) The Group 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 Group shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (i) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (j) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise stated)

- 47 No significant events have occurred after the end of the reporting period.
- 48 The Company has maintained proper books of account as required by law and has backup on daily basis of such books of account maintained in electronic mode and has used an accounting software for maintaining its books of account for the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility except at database level for the software used to maintain revenue records. Audit trail has been preserved by the Company as per the statutory requirements for record retention.
- 49 The Board of Directors of the Parent at their meeting held on May 12, 2025, recommended the payout of a final dividend of ₹ 3.5/- per equity share of face value ₹ 2/- each for the financial year ended March 31, 2025 . This recommendation is subject to approval of shareholders at the 14<sup>th</sup> Annual General Meeting of the Company scheduled to be held on July 29, 2025.
- 50 Rules in relation to 'The Code on Social Security, 2020 ('Code')' yet to be notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect.
- 51 The Company maintains the information and documents as required under the transfer pricing regulations under Section 92-92F of the Income Tax Act, 1961. The management is in the process of updating the transfer pricing documentation for the financial year 2024 - 2025 and is of the view that its transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
- 52 Previous year's figures have been regrouped/ reclassified wherever necessary to conform with current year classification.

for and on behalf of the Board of Directors:

**Happiest Minds Technologies Limited**

CIN : L72900KA2011PLC057931

**Ashok Soota**  
Executive Chairman  
DIN : 00145962  
Place: Bengaluru, India  
Date: May 12, 2025.

**Venkatraman Narayanan**  
Managing Director & Chief Financial Officer  
DIN : 01856347  
Place: Bengaluru, India  
Date: May 12, 2025.

**Praveen Darshankar**  
Company Secretary  
FCS No.: F6706  
Place: Bengaluru, India  
Date: May 12, 2025.

# Corporate Information

## BOARD OF DIRECTORS

### Ashok Soota

Chairman & Chief Mentor

### Joseph Anantharaju

Co-Chairman & CEO

### Venkatraman Narayanan

Managing Director

### Anita Ramachandran

Independent Director

### Rajendra Kumar Srivastava

Lead Independent Director

### Shuba Rao Mayya

Independent Director

### Mittu Sridhara

Independent Director

### Rajiv Shah

Executive Director

## COMMITTEES OF THE BOARD

### AUDIT

**Shuba Rao Mayya** – Chairperson

**Anita Ramachandran** – Member

**Rajendra Kumar Srivastava** – Member

**Venkatraman Narayanan** – Member

### NOMINATION, REMUNERATION & BOARD GOVERNANCE

**Anita Ramachandran** – Chairperson

**Ashok Soota** – Member

**Mittu Sridhara** – Member

**Rajendra Kumar Srivastava** – Member

**Shuba Rao Mayya** – Member

### CORPORATE SOCIAL RESPONSIBILITY

**Anita Ramachandran** – Chairperson

**Rajendra Kumar Srivastava** – Member

**Rajiv Shah** – Member

**Venkatraman Narayanan** – Member

### ADMINISTRATIVE AND STAKEHOLDERS RELATIONSHIP

**Shuba Rao Mayya** – Chairperson

**Anita Ramachandran** – Member

**Joseph Anantharaju** – Member

**Venkatraman Narayanan** – Member

### RISK MANAGEMENT

**Rajendra Kumar Srivastava** – Chairperson

**Anita Ramachandran** – Member

**Mittu Sridhara** – Member

**Shuba Rao Mayya** – Member

**Joseph Anantharaju** – Member

**Venkatraman Narayanan** – Member

### STRATEGIC INITIATIVES

**Mittu Sridhara** – Chairperson

**Rajendra Kumar Srivastava** – Co-chairperson

**Ashok Soota** – Member

**Joseph Anantharaju** – Member

**Rajiv Shah** – Member

**Venkatraman Narayanan** – Member

## COUNSEL/LEGAL CONSULTANTS

Khaitan & Co

Uday Shankar Associates

Wilson Elser Moskowitz

Edelman & Dicker LLP

Collyer Bristow LLP

Habbu & Park

Eastern Bridge

Kingston Smith LLP

Goel & Anderson, LLC

## STATUTORY AUDITORS

Deloitte Haskins & Sells LLP

## CONTACT DETAILS

For queries relating to shares:

einward.ris@kfintech.com (RTA)

Toll-Free Number: 1800 3094001

Investors@happiestminds.com

Phone: +91 80 6196 0300

### For queries on Results/ Management Meetings

[IR@happiestminds.com](mailto:IR@happiestminds.com)

Phone: +91 80 6196 0300

## WEBSITE

<https://www.happiestminds.com/>

## BANKERS

Kotak Mahindra Bank Ltd

RBL Bank Ltd

Federal Bank Ltd

ICICI Bank Ltd

HDFC Bank Ltd

Axis Bank Limited

Standard Chartered Bank

Bank of America, NA

Citibank NA

JP Morgan Chase Bank NA

## DEBENTURE TRUSTEE

Vistra ITCL (India) Limited

IL&FS Financial Centre,

Plot no. C-22, G Block,

Bandra Kurla Complex, Bandra (East),

Mumbai – 400051

## SUBSIDIARIES

### 1. Happiest Minds Inc.

A Texas state registered entity.

Communication Address:

101 Metro Drive, Suite 360

San Jose, CA - 95110-1381

Phone: +1 408 520 7611

### Happiest Minds Inc.

6312, Fiddlers Green Circle,

Suite 300E, Greenwood

Village, Colorado 80111

### 2. Sri Mookambika Infosolutions Private Limited

SMILES 8, 25/4, Palaniappan

Chandrika Plaza,

New Natham Road, Reserve Line,

Madurai, Tamil Nadu - 625014

### Sri Mookambika Infosolutions

#### Private Limited

SMILES 9, Vetri Gardens, 348,

Sri Lakshmi Nagar II,

Maheswari Nagar 4<sup>th</sup> Street,

Thaneer Panthal, Peelamedu Post,

Coimbatore, Tamil Nadu - 641004

#### Registered & Corporate Office

#53/1-4, Hosur Main Road, Madivala

(Next to Madivala Police Station),

Bengaluru - 560068, Karnataka, India

CIN: L72900KA2011PLC057931

Phone: +91 80 6196 0300/0400

### 3. Happiest Minds Edutech Private Limited

SMILES 1,

SJR Equinox, Sy.No.47/8,

Doddathogur Village, Begur Hobli,

Electronics City Phase 1,

Hosur Road, Bengaluru - 560 100

### 4. PureSoftware Technologies

#### Private Limited

#### Pune

PureSoftware Technologies Private Limited

6<sup>th</sup> Floor, Pentagon P-2, Magarpatta City,

Hadapsar, Pune, Maharashtra - 411013

#### Delhi

PureSoftware Technologies Private Limited

Suite 523, DLF Tower B, Plot No. 11,

Jasola New Delhi, South Delhi, DL-110025

#### Gurugram

PureSoftware Technologies Private Limited

8<sup>th</sup> Floor, Magnum Tower, Sector 58,

Gurugram, Haryana - 122011

#### Noida

PureSoftware Technologies Private Limited

PureSoftware Business, SMILES 10,

Tower B, Green Boulevard Plot B9-A,

62, Sector Rd, B Block, Noida,

Uttar Pradesh - 201301

#### SMILES 1,

SJR Equinox, Sy.No.47/8,

Doddathogur Village, Begur Hobli,

Electronics City Phase 1,

Hosur Road, Bengaluru – 560 100

#### PureSoftware Corp.

815, Brazos St, STE 500,

Austin, TX – 78701

#### PureSoftware Corp.

Princeton Forrestal Village,

116 Village Blvd, Suite 200,

Princeton, New Jersey, 08540

#### PureSoftware Corp.

845 Third Avenue, Floor 6

New York, USA – 10022

#### PureSoftware Corp.

3773 HOWARD HUGHES PKWY STE

500S, Las Vegas,

NV 89169 - 6014, USA

#### PureSoftware Private Limited

Sidings Court, Lakeside, Doncaster,

DN4 5NU, United Kingdom

#### PureSoftware Africa Limited

P.O. Box 720, Village Market, Muthithi,

Behind TRV Office Plaza,

Muthithi Road, Westlands,

Nairobi, Kenya- 720 -00621

#### PureSoftware

#### Technology S DE RL DE CV,

a) Periferico Sur 4293

Piso 3 300, Jardines en la Montaña,

Ciudad de México

b) Durango 245, Interior 203,

Colonia Roma Norte,

Alcaldía Cuauhtémoc,

Ciudad, De Mexico, Cp 06700

#### PureSoftware Romania S.R.L.

Bucharest, District 1, 44-46

Lainici street, room1, 2<sup>nd</sup> floor,

apartment no. 5, Romania

#### PureSoftware Pte Ltd.

Level 30, South Beach Tower,

38 Beach Road, Singapore – 189767

#### PureSoftware SDN BHD,

Level 8, Vertical Corporate

Tower B, Avenue 10, The Vertical,

No. 8, Jalan Kerinchi,

Bangsar South City 59200 Kuala

Lumpur Malaysia

#### PureSoftware HK Limited,

20/F, Silver Fortune Plaza,

1 Wellington Street,

Central, Hong Kong-999077

### 5. AureusTech Systems Private Limited

#### Bengaluru

SMILES 1, SJR Equinox, Sy.No.47/8,

Doddathogur Village, Begur Hobli,

Electronics City Phase 1,

Hosur Road, Bengaluru – 560 100

#### Hyderabad

a) AureusTech Systems Private Limited,

Smiles 11,The Hive, Corporate Capital

next to Sheraton Hotel Financial

District, Nanakramguda, Gachibowli,

Hyderabad, Telangana 500032, India

b) AureusTech Systems Private Limited,

Survey No. 322(P), Puppalaguda

Village, Behind Continental Hospital,

Financial District, MySpace Weave,

Hyderabad, Telangana – 500089

c) AureusTech Systems Private Limited,

Level 4 , Kapil Towers, Financial

District, Gachibowli, Hyderabad,

Hyderabad, Telangana, India, 500032

#### Chennai

AureusTech Systems Private

LimitedAureus Business, Smiles 12,

IndiQube Alpine, next to Ekkatuthangal

metro staton Labour Colony, SIDCO

Industrial Estate, Ekkatuthangal, Guindy,

Chennai, Tamil Nadu, 2<sup>nd</sup> Floor

#### Kochi

AureusTech Systems Private

LimitedAureus Business Smiles 13,

XIV/396-C, Seaport Airport Road,

Chittethukara, Kakkanad, Kerala

### 6. InnovazIT Technologies LLC

Off no. 1164, PO box 124195,

Tamani Arts, Burj Khalifa Street,

Business Bay Dubai

### 7. GAVS Technologies LLC

Office no. 11, 5<sup>th</sup> Floor, Building

No. 4, Knowledge Oasis Muscat,

Post Box: 110, Postal Code: 124, Rusayl,

Sultanate of Oman

### 8. GAVS Technologies Saudi Arabia

**for Telecommunications and**

**Information Technology**

Office No109, 7354-Aban

Centre, King Abdul,

Aziz Road, Al Ghadir, PO Box :271402,

Riyadh 1331-4672,

Kingdom of Saudi Arabia

## OFFICES

### INDIA

#### Bengaluru - 1

Happiest Minds Technologies Limited

SMILES 1,

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Doddathogur Village, Begur Hobli

Electronics City Phase 1

Hosur Road, Bengaluru - 560 100

Phone: +91 80 3965 3000

#### Bengaluru - 2

Happiest Minds Technologies Limited

SMILES 2, 3 & 4

Registered Office: #53/1-4, Hosur Main Road

Madivala, (Next to Madivala Police Station),

Bengaluru - 560068, Karnataka, India

Phone: +91 80 61960300,

+91 80 61960400

Fax: +91 80 6196 0700

#### Noida, NCR

Happiest Minds Technologies Limited

SMILES 5,

2<sup>nd</sup> Floor, A-42/6, Pinnacle Tower

Sector-62, Noida, UP - 201301

Phone: +91-120-4740700

#### Pune

Happiest Minds Technologies Limited

SMILES 6,

8<sup>th</sup> Floor B Wing, MCCIA Trade Tower

Senapati Bapat Road, Pune - 411016

Phone: +91 20 6666 8100

#### Bhubaneswar

Happiest Minds Technologies Limited

SMILES 7,

5<sup>th</sup> Floor, Fortune Towers, Nandankanan Rd,

Chandrasekharpur,



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