ESDS Software Solution Limited
Annual Report 2025-26

Rooted in Indian innovation. Engineered for the world.



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Key highlights of FY26

₹4,722.10 mn
REVENUE FROM OPERATIONS

49.60%
EBITDA MARGIN

₹1,208.23 mn
PROFIT AFTER TAX

25.51%
INTERNATIONAL REVENUE SHARE

2,501
CUSTOMERS SERVED

5
OPERATIONAL TIER III DATA CENTRES IN INDIA

995
EMPLOYEES

Forward-looking statement

This Report contains forward-looking statements based on our current expectations and assumptions. Actual results may differ materially owing to economic, regulatory, technological and competitive factors. We do not undertake to update these statements, except as required by law.

Disclaimer:

Certain visuals in this report have been generated or enhanced using artificial intelligence (AI) to illustrate concepts and narratives. Unless otherwise stated, these images are representative in nature and should not be interpreted as literal or factual depictions of actual people, places,products, events, assets, or operations.

For over two decades, ESDS has been the trusted foundation behind mission-critical systems serving banks, government departments and enterprises. Driven by homegrown innovation and a commitment to sovereignty, we bring SWARAJ Cloud, patented technology and expertise together through one integrated AI ecosystem, enabling organization to take control of their digital future and realize their ambitions, in India and globally.



Today, they support 1,045 bank branches, six smart cities, 5 million smart metres and Government programmes such as Pradhan Mantri Mudra Yojana, which has benefitted more than 60 million citizens.

Building on this foundation, we are expanding our capabilities to meet the growing demand for AI computing. Our AI factory ecosystem brings together GPU infrastructure, networking, storage, platforms and managed operations for AI labs and enterprises. Through GPU-as-a-Service and dedicated GPU clusters, we are scaling our capacity to support AI workloads in India and international markets.

FY26 showed what this combination can deliver. Customers outside India contributed 25.51% of our revenue, up from 5.29% two years earlier, and on March 31, 2026, we signed an AI cloud infrastructure agreement for a dedicated cluster of approximately 8,208 NVIDIA B300 GPUs in Australia.

Wherever we serve them, customers keep control of their data, as **SWARAJ Cloud** and our in-house SWARAJ products can be deployed to keep data, operations, and governance within their jurisdiction.

Sovereign by design and global in reach, we are a partner organisations can trust, wherever they are.

Chairman and Managing Director's message

A record year, a new chapter



FY26 was a record year, with our highest-ever revenue and profit. We enter our first year as a listed company with a clear direction, a strong balance sheet and a significant AI opportunity ahead."

Dear Shareholders,

It gives me great pleasure to present our first Annual Report as a listed company. Our equity shares were listed on the NSE and BSE on September 4, 2026, a milestone that reflects more than 20 years of building data centres and cloud capabilities in India. I thank every investor who placed their trust in us during our initial public offering (IPO) and welcome our new shareholders.

Record performance

Revenue from Operations grew 30.68% to ₹4,722.10 million. EBITDA rose 51.23% to ₹2,342.34 million, lifting our EBITDA Margin to 49.60% from 42.86%. Profit After Tax (PAT) more than doubled to ₹1,208.23 million and Return on Equity reached 25.12%. Managed services led the growth, rising to 41.21% of revenue from 20.94%, and with a leaner team, revenue per employee rose to ₹4.75 million from ₹3.46 million. Our Debt-Equity Ratio fell to 0.08 from 0.15, and after the year ended, India Ratings and Research upgraded the long-term rating on our bank loan facilities to IND A/Stable.

Our year-end cash balance includes a customer advance of ₹11,766.35 million for our AI infrastructure contract, which will be recognised as revenue over the contract term after go-live.

We added 787 customers during the year, taking our base to 2,501, and 89.04% now use all three of our service lines, up from 62.32% two years ago.

AI factories at the centre of our growth

We launched GPU-as-a-Service in November 2025 and now build and run AI factories for AI labs that need dedicated, large-scale GPU clusters and for enterprises moving AI from pilot to production.

On March 31, 2026, we signed an AI cloud infrastructure agreement for a dedicated cluster of approximately 8,208 NVIDIA B300 GPUs in Australia, marking our entry into large-scale AI infrastructure. It has an initial five-year term, with an option to extend by two years, for a total contract value of approximately $1,250 million, and we expect revenue to begin in Q3 FY27. Our partner deploys and operates the hardware while we provide the platform, customer relationship and managed services, allowing us to pursue opportunities of this size without stretching our balance sheet.

Sovereign in India, trusted worldwide

We operate five Tier III data centres in India, with two more under development in Kolkata and Sahibabad. As of June 30, 2026, 104 government clients and 115 banks and financial institutions are using our community clouds. This reflects our belief that every byte that powers India deserves to live, breathe and stay in India. But the principle goes beyond geography. We believe sovereignty is for everyone. Every organisation, wherever it operates, deserves the freedom to decide where its data resides, how it is governed and who controls it. With **SWARAJ Cloud** and our indigenous technologies, we aim to extend that freedom beyond India, empowering organisations worldwide to define and protect their own digital sovereignty. International markets contributed 25.51% of our FY26 revenue, up from 5.29% in FY24, and international AI infrastructure will be a major driver of our future growth.

Deploying our IPO proceeds

Our IPO, entirely a fresh issue of equity shares, raised ₹7,200.00 million. Of the net proceeds, ₹5,760.00 million will fund cloud and GPU servers, storage, networking and supporting infrastructure at our Airoli, Bengaluru, Mohali and Nashik data centres over FY27 and FY28, with the balance for general corporate purposes.

Growing responsibly

Our 'One Billion Trees Mission' has turned barren land near Nashik into a growing forest, and we aim to run our operations entirely on renewable energy within four years. Through our employee stock option plans, many of our 995 employees, who keep critical systems running around the clock, share in the value they create. Our six-member Board, half of whom are independent, oversees our strategy and risks, and we are committed to high standards of governance and transparent disclosure.

Looking ahead

Our priorities for FY27 are clear: bring the Australian AI cluster into service and begin recognising its revenue, commission our Kolkata data centre, deploy our IPO proceeds to expand cloud and GPU capacity in India, and win more AI factories and sovereign cloud mandates in India and overseas.

I thank the Government of India and the State Governments, our customers, employees, technology partners, bankers and lenders for their support, and my fellow Directors for their guidance. Above all, I thank you, our shareholders, for your confidence, which we will work to earn every year.

Warm regards,

Piyush Somani
Chairman and Managing Director



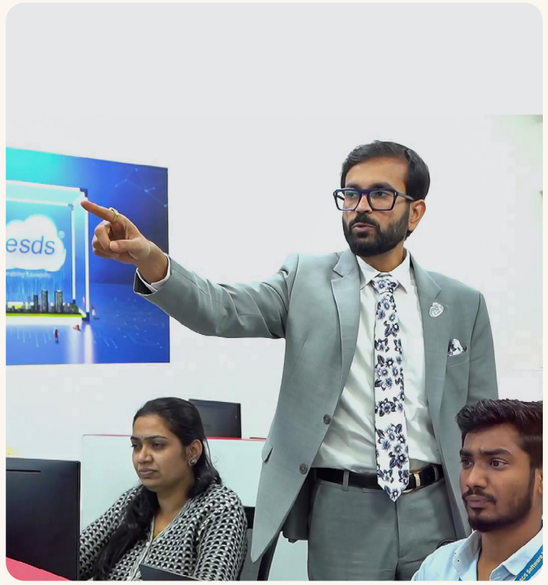
Who we are

Infrastructure built in India, serving the world

ESDS Software Solution Limited is an AI ecosystem and end-to-end IT services provider with more than two decades of expertise in delivering mission-critical digital infrastructure.

Our portfolio spans AI factories, GPU-as-a-Service, **SWARAJ Cloud**, data centre infrastructure, managed services, cybersecurity and sovereign products, bringing technology, infrastructure and operations together in one integrated ecosystem. Rooted in India and expanding our global presence, we enable Banks, Government, Departments and Enterprises to accelerate digital transformation, strengthen operational resilience and pursue their AI ambitions with greater control, scalability and efficiency.

We are one of only two companies in India offering the full spectrum of GPU-as-a-Service, cloud, managed services, data centre infrastructure and software solutions, and the larger of the two by FY26 revenue. Our cloud platform runs on proprietary vertical auto-scaling technology patented in the United States and India, and we are the only company in India that holds a patent for this technology.



Our purpose

Our existence is rooted in Digital SWARAJ – the belief that sovereignty is not defined by geography but is a right for every organisation, regardless of where it operates. We reinforce this mission by empowering organisations with the freedom to own, control and govern digital infrastructure and data within each organisation's control. With sovereign innovation as our foundation, an end-to-end IT ecosystem as our catalyst and AI as our force for transformation, we are committed to empowering a sovereign, secure and intelligent digital future for the world.

What we do

We bring infrastructure, AI computing, operations, security and software together, so customers have a single point of accountability.

Infrastructure-as-a-Service

43.88% of FY26 revenue

Cloud and colocation services from our Tier III data centres, including public, private, hybrid and community clouds, and GPU-as-a-Service.

Software-as-a-Service

14.91% of FY26 revenue

In-house and partner software, including our SPOCHUB marketplace and data centre management, security and AI operations tools.

Managed services

41.21% of FY26 revenue

Round-the-clock management of cloud, data centre, network and security operations, including migration, disaster recovery and security operations centre services.

AI factory

Building on these service lines, our AI factory ecosystem combines our infrastructure, software and operations capabilities to support the evolving AI infrastructure needs of AI labs and enterprises. Our offering spans managed GPU services and dedicated GPU clusters, with delivery aligned to each customer's workload and deployment requirements.

Percentages show each service line's share of FY26 Revenue from Operations.

Whom we serve

- **BFSI (17.53%):** Banks, co-operative banks, non-banking financial companies, fintech and insurance companies.
- **Government (27.37%):** Central, state and local government departments, public sector undertakings and government agencies.
- **Enterprise (55.10%):** Healthcare, education, energy and utilities, real estate, IT and IT-enabled services, agriculture, manufacturing, and media and entertainment.
- **International:** Enterprises and AI companies overseas, served through our subsidiaries and partners.

Percentages show each customer segment's share of FY26 Revenue from Operations.

Our subsidiaries

- **SPOCHUB Solutions Private Limited (India):** SaaS marketplace and GPU-as-a-Service projects.
- **ESDS Cloud FZ-LLC (UAE):** IT services for customers in the Middle East.
- **ESDS Global Software Solution Inc. (USA):** Data centre and managed services.

Our journey

From a single data centre to an AI-ready ecosystem

Each step has expanded our offering, taking us from Nashik to a listed company delivering AI infrastructure in India and overseas.

2005

Incorporated in Nashik, Maharashtra

2010

Launched our first data centre in Nashik

Launched eNlight Cloud, our intelligent cloud computing platform, now SWARAJ Cloud

2011

2015

Received a United States patent for our auto-scaling cloud technology

Launched our data centre in Mahape, Navi Mumbai

2016

- Incorporated subsidiaries in the UAE and the United States
- Extended our cloud service provider empanelment with the Ministry of Electronics and Information Technology (MeitY)
- Introduced SPOCHUB, our SaaS marketplace

2019

- Launched our data centre in Bengaluru with Software Technology Parks of India (STPI)
- Became an SAP-certified partner in SAP HANA operations

2020

Converted into a public limited company

2021

- Launched our data centre in Mohali with STPI
- Received two Indian patents for our auto-scaling cloud technology

2022

2023

Launched our data centre in Airoli, Navi Mumbai, into which we moved our Mahape operations in 2024



2024

- Achieved Capability Maturity Model Integration (CMMI) Maturity Level 5
- Launched our AI incubation centre in Nashik

2025

- Launched our data centre in Noida with STPI
- Signed agreements to develop data centres in Kolkata with STPI and in Sahibabad with Central Electronics Limited
- Launched GPU-as-a-Service

2026

- Rebranded eNlight Cloud as SWARAJ Cloud
- Launched our sovereign AI products: SWARAJ Nandi, SWARAJ Jatayoo, SWARAJ Garuda, SWARAJ Bodhi, SWARAJ Hansa and SWARAJ Sethu
- Signed an AI cloud infrastructure agreement for a dedicated GPU cluster in Australia
- Listed on BSE and NSE

Our presence

A growing footprint in India and overseas

We operate five Tier III data centres across four states in India, with two more under development. From this base, we serve customers in international markets through our subsidiaries in the UAE and the United States and will provide AI infrastructure in Australia through our partner.







Data centres

International presence

1. **UAE:** ESDS Cloud FZ-LLC, Dubai
2. **United States:** ESDS Global Software Solution Inc., Delaware
3. **Australia:** A dedicated AI cluster (expected to go live in FY27) under our AI cloud infrastructure agreement, deployed and operated by our partner

Operational

1. Nashik, Maharashtra
2. Airoli, Navi Mumbai, Maharashtra
3. Bengaluru, Karnataka (with STPI)
4. Mohali, Punjab (with STPI)
5. Noida, Uttar Pradesh (with STPI)

Under development

1. Kolkata, West Bengal (with STPI)
2. Sahibabad, Uttar Pradesh (with Central Electronics Limited)

Offices in India

1. **Registered office and data centre:** Nashik, Maharashtra
2. **Corporate office:** Airoli, Navi Mumbai, Maharashtra
3. **Branch offices:** Bengaluru, Bhubaneswar, Chennai, Kolkata, Nashik and New Delhi

75,266+ sq ft
COMBINED AREA OF OUR DATA CENTRES

99.995%
MINIMUM UPTIME ACROSS OUR DATA CENTRES, FY24–FY26



*Map not to scale











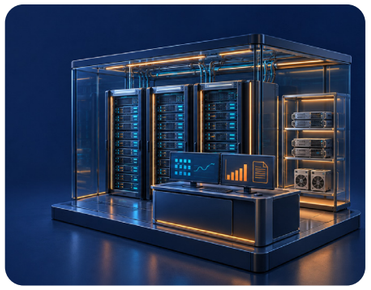
Our offerings

One partner across the full technology stack

From AI factories and cloud to managed operations, security and software, we tailor our services to each customer.

AI factory

Our AI factory ecosystem combines GPU clusters, high-speed networking, storage, power, cooling and 24/7 operations in one accountable delivery model for AI labs and enterprises.



GPU-as-a-Service

A fully managed service to design, supply, deploy and operate GPU clusters for AI training and inference on NVIDIA and AMD GPUs, including NVIDIA SuperPOD configurations.

Managed services

The services offered include IT and cloud operations, data centre operations, consulting, DevOps, data migration, backup and disaster recovery, business continuity planning, database administration, and SAP Basis support.

Colocation

Our Tier III data centres offer shared and dedicated racks, private suites and GPU-ready high-density racks, with precision cooling, redundant power and 24/7 monitoring.



Managed security services

Data loss prevention, anti-ransomware services, endpoint detection and response, vulnerability assessment and penetration testing, security operations centre services and external threat monitoring.





Cloud

SWARAJ Cloud, our AI-autonomous cloud platform, takes customers from design and architecture through compliance validation and automated deployment to go live. Powered by our patented vertical auto-scaling technology, it supports public, private, virtual private and hybrid cloud deployments.

Community clouds

Our Government, BFSI, SAP HANA, Smart City and Enterprise community clouds meet each sector's security, compliance and regulatory needs.

104
Government clients on our community cloud

115
Banks and financial institutions on our community cloud, across 1,045 branches

113
Organisations on our SAP HANA community cloud

6
Smart city data centre and disaster recovery projects on our cloud

Our products

AI products

- **SWARAJ Bodhi:** AI operations platform for GPU clusters and AI workloads
- **SWARAJ Garuda:** Application performance monitoring with AI-driven root-cause analysis
- **SWARAJ GPU Monitoring Tool:** Real-time visibility into GPU use, health and cost

Security products

- **SWARAJ Nandi:** Privileged access management
- **SWARAJ Jatayoo:** Database activity monitoring
- **SWARAJ Hansa:** AI-powered security information and event management
- **SWARAJ Sethu:** DevSecOps
- **SWARAJ WAF and SWARAJ Web VPN:** Web application protection and secure remote access

Platforms

- **SPOCHUB:** Our SaaS marketplace for in-house and partner software
- **eMagic:** Data centre management and monitoring
- **Famrut:** Digital agriculture platform connecting farmers with the agricultural value chain
- **iPAS and Low Code Magic:** Project administration and monitoring and low-code application development

Compliance, certifications and awards

Credentials that build trust

We build and operate our services with compliance in mind, independently certifying our data centres and services for security, privacy, quality, continuity and AI management, so that banks, Government institutions and enterprises in India and abroad can run mission-critical systems with us confidently.

Empanelments and approvals

- Empanelled cloud service provider with MeitY, audited by the Standardisation Testing and Quality Certification (STQC) Directorate
- Authorised to offer our products and services on the Government e-Marketplace (GeM)
- SAP-certified in SAP HANA operations and cloud services

Platform compliance

SWARAJ Cloud offers compliance-as-a-service, with automated governance and audit readiness for standards such as PCI DSS and NIST, and is designed to support compliance with the Digital Personal Data Protection Act, 2023.



Certifications

- **Information security and privacy:** ISO 27001:2022, ISO 27017:2015, ISO 27018:2019, ISO 27701:2019 and ISO/IEC TS 27110:2021
- **AI management:** ISO/IEC 42001:2023
- **Service, quality and continuity:** ISO 9001:2015, ISO 20000-1:2018 and ISO 22301:2019
- **Environment, health and safety:** ISO 14001:2015 and ISO 45001:2018
- **Payments and assurance:** PCI DSS 4.0 and SOC 1, SOC 2 and SOC 3
- **Process maturity:** CMMI Maturity Level 5
- **Data centres:** Rated Tier III under TIA-942

Our Nashik, Navi Mumbai, Bengaluru and Mohali data centres hold most of these certifications, and all five are rated Tier III and certified to ISO 14001 and ISO 45001.

Awards and recognition

2022

- Most Preferred and Trusted Cloud Service Provider, Economic Times Achievers (Karnataka)
- Aegis Graham Bell Award, Combat COVID-19 with Artificial Intelligence

2023

- Outstanding Cloud Service Provider, NBFC Tech Summit

2025

- Excellence in Cybersecurity, Urban Innovation and Infrastructure Summit
- Innovation in Self-Service Storage Management, NetApp Innovation Awards
- Best Managed Security Services, Middle East Gen AI and Analytics Summit and Awards 2025
- Best Cybersecurity Innovation in Fintech, Bharat NBFC and Fintech Summit and Awards 2025

2026

- Data Centre and Cloud Innovation Award, Bharat PSU Corporate Awards 2026
- Excellence in Energy-Efficient and Green Data Centre Initiatives, DCIS 2026
- Most Admired Brand, VAR India

Opportunity and investment case

Why invest in ESDS

Three structural shifts are reshaping digital infrastructure: accelerating AI adoption, growing global demand for computing capacity and increasing emphasis on data sovereignty. ESDS is positioned at the intersection of these trends, supported by our established data centre operations, sovereign cloud platform and expanding AI infrastructure offerings. Together, these capabilities underpin our next phase of growth.



The opportunity

- **AI is redefining computing demand.** The global cloud computing market is projected to pass $1 trillion by 2030, led by AI-based and autonomous cloud solutions, yet India holds only a low single-digit share of global cloud GPU capacity. That gap is our opportunity.
- **Capacity is going global.** AI computing, long concentrated in the United States and China, is spreading to new markets, and global GPU cloud providers are seeking Indian partners. Our UAE and US subsidiaries and our Australian AI cluster already place us there.
- **Sovereignty is moving value home.** As India builds its own AI computing capacity, value in the cloud market is shifting towards domestic providers that keep data, compute and storage in the country. We were among India's first cloud service providers to offer community clouds1 and are empanelled with MeitY.



$1 tn+

PROJECTED SIZE OF THE GLOBAL CLOUD COMPUTING MARKET BY 2030

25.59%

OUR FY26 PAT MARGIN, THE HIGHEST AMONG BENCHMARKED PEERS WITH AVAILABLE DATA

Read more market sizes and industry trends in the Management Discussion and Analysis on page 35-37.

Our investment case

A large, contracted AI opportunity

Our Australian AI cloud infrastructure agreement came within five months of launching GPU-as-a-Service. The ₹11,766.35 million customer advance already received, about 2.5 times our FY26 Revenue from Operations, gives us revenue visibility as services begin in FY27.

An international business built in two years

Revenue from customers outside India rose nearly eightfold, from ₹151.43 million in FY24 to ₹1,204.41 million in FY26, led by the Middle East.

A rare full-stack platform for regulated sectors

Our cloud platform, products and patented auto-scaling technology are developed in-house, giving us control over costs, product roadmap and data residency. Government and BFSI customers, who face stringent data residency requirements, contributed 44.90% of FY26 revenue.

Deep, long-standing customer relationships

Customers with us for more than three years contributed 65.60% of our FY26 revenue, up from 49.28% in FY24.

Profitable growth with strong returns

Our Return on Capital Employed more than doubled, from 14.53% in FY24 to 32.78% in FY26, and our FY26 PAT Margin of 25.59% was the highest among benchmarked peers with available FY26 data.[1]

Capital-light expansion

Our partner deploys and operates the GPU hardware for our Australian AI cluster, and our IPO proceeds are earmarked for equipment at existing data centres, so we add capacity without heavy investments in land, buildings, or GPU hardware.

~2.5x

CUSTOMER ADVANCE RELATIVE TO FY26 REVENUE FROM OPERATIONS

~8x

GROWTH IN REVENUE FROM OUTSIDE INDIA, FY24 TO FY26

44.90%

FY26 REVENUE FROM GOVERNMENT AND BFSI CUSTOMERS

Source:

1. Nexdigm Private Limited, India Data Centre, Cloud Services and Managed Services Industry Outlook, August 2026: pp. 43, 47, 53, 61 and 78

Business model

A model that grows with our customers

We provide infrastructure, operations, security and software under a single contract, using technology we have built in India and capacity from our own and partner facilities.

Our strengths

Infrastructure

Five Tier III data centres in India, two more under development, and a dedicated AI cluster in Australia deployed and operated by our partner.

Technology

SWARAJ Cloud and a suite of proprietary AI, security and operations products, with our auto-scaling technology protected by three patents.

People

995 people as of March 31, 2026, experienced in security operations, data centres and the cloud, with a research and development team of 87 as of June 30, 2026.

Partners

STPI, Central Electronics Limited, GPU infrastructure partners, and technology and software vendors.

Credentials

GeM authorisation, MeitY empanelment and international certifications for security, quality and continuity.

How we serve customers

Asset-light model

We invest in computing hardware rather than buildings. Three of our five data centres operate on STPI premises, allowing us to add capacity quickly with a lower upfront investment.

One partner across the lifecycle

We design around each customer's needs, migrate workloads and run them with round-the-clock support and regular service reviews.

Bundled with partners

We offer integrated solutions with technology and software vendors, such as SAP hosting for enterprises and hosted core banking for co-operative banks.

Growing relationships

Many customers start with managed services and then add cloud, security and software over time.

Our revenue model

Revenue is largely contract-based and recurring, with billing models to suit each customer:

Pay-per-consumption

Our auto-scaling technology allocates resources to actual load, so customers pay only for what they use.

Pay-per-branch

Fixed monthly fee per branch for co-operative banks for hosted core banking and managed services.

Pay-per-transaction, per user or per business metric

Billing linked to successful transactions, users or agreed business metrics.

Subscriptions

Annual, half-yearly, quarterly and monthly plans for our software.

SWARAJ Cloud bills in Indian rupees, giving domestic customers predictable costs with no currency exposure.

Value we create

Customers

Control over the location of their data, predictable costs, and a single point of accountability.

Shareholders

Profitable growth with low borrowings, with an FY26 Return on Equity of 25.12% and a Debt-Equity Ratio of 0.08.

Employees

Leadership development, learning and employee stock option plans.

Government and society

Dependable hosting for public digital programmes and community projects in education and the environment.

Our strategy

Our strategy is to make our AI factory ecosystem our main growth engine, extend our reach worldwide and take our sovereign technology to organisations in India and overseas. We pursue it through five priorities, each with clear objectives and progress measures, set out on the following pages:

AI factories at scale

Scale our AI factory ecosystem and expand global distribution.

Read more on page **18**.

Sovereign at the core

Extend our sovereign technology and increase capacity in areas of rising demand.

Read more on page **20**.

Integrated by design

Support both through integrated services and partnerships.

Read more on page **22**.

Environment

Transition to renewable energy.

Read more on page **27**.

Building AI factories for global demand

An AI factory combines GPUs, high-speed networking, storage, power and cooling to train and run AI models.

AI labs and enterprises need this computing power at scale, with the tools to operate, secure and optimise it, and global demand is outstripping supply, opening markets beyond India. Our AI factory ecosystem provides it as a managed service and drives two of our five strategic priorities: scaling our AI factory ecosystem and expanding global distribution.

Our AI factory offerings

AI labs: Dedicated GPU capacity for large-scale model training and inference, from a pilot block to a single-tenant cluster or purpose-built AI factory, engineered with power, liquid cooling, networking, storage and round-the-clock operations.

Enterprises: Our Enterprise AI Factory takes enterprises from pilot to production, from GPU-as-a-Service on **SWARAJ Cloud** to dedicated clusters and a fully managed AI factory, with model operations, enterprise retrieval-augmented generation, AI governance and cost monitoring managed by our team.

What sets us apart

- **End-to-end delivery:** We design, supply, deploy and operate GPU clusters.
- **Our own software:** SWARAJ Bodhi and SWARAJ Garuda, our AI operations and application performance products developed in FY26, and SWARAJ GPU Monitoring Tool help customers manage workloads, performance and costs.
- **Global reach:** In FY26, revenue from outside India rose to 25.51% of Revenue from Operations, from 24.08% in FY25, with the UAE at 18.50%. Our UAE subsidiary, ESDS Cloud FZ-LLC, turned profitable, earning ₹54.62 million in FY26.



Story

From launch to a global contract in five months

In November 2025, we launched GPU-as-a-Service. Five months later, on March 31, 2026, we signed an AI cloud infrastructure agreement for a dedicated cluster of approximately 8,208 NVIDIA B300 GPUs in Australia, with 17.83 PB of AI storage, deployed and operated by our partner. It has an initial five-year term, with an option to extend by two years, for a total contract value of approximately $1,250 million. Our subsidiary, SPOCHUB, has an aligned contract giving an international enterprise customer exclusive access to this capacity through **SWARAJ Cloud**. The ₹11,766.35 million advance received from this customer will be recognised as revenue over the contract term once services begin in Q3 FY27.

~8,208

GPUS IN OUR AUSTRALIAN AI CLUSTER

~$1,250 mn

TOTAL CONTRACT VALUE OF THE AI CLOUD INFRASTRUCTURE AGREEMENT

Case study

Model training time significantly reduced

A research lab training a 50-billion-parameter model took more than 40 days per run on fragmented infrastructure. Using our GPU SuperPODs with managed machine learning operations, we trained the model in 10 days, achieving a 60% lower cost and 30 times faster inference.

10 days

MODEL TRAINING TIME, REDUCED FROM 40+ DAYS

60%

LOWER TRAINING COST



Focus ahead

We will expand our AI factory offerings for AI labs and enterprises in India and globally, develop AI solutions for cloud automation, healthcare, agriculture and IT operations, use agentic AI to run service operations and automate customer onboarding, start services under our AI cloud infrastructure agreement in FY27 and grow in international markets, including the Middle East. We track GPU-as-a-Service revenue, delivered AI factory capacity, AI product adoption and the share of revenue from outside India.

Giving our customers control of their data

Public institutions and regulated businesses want certainty over where their data sits and who controls it, and organisations in India and overseas increasingly want control over its storage and governance.

We host their data in India, under Indian law, on technology we have developed, which also lets organisations abroad retain control. This pillar anchors two of our strategic priorities: extending our sovereign technology and increasing capacity in areas of rising demand.

SWARAJ Cloud

Our AI-autonomous cloud platform is built, owned and operated entirely in India, with more than 52 services and 80 integrated capabilities across computing, storage, networking, security, DevOps and AI.

52+

SERVICES

80+

INTEGRATED CAPABILITIES

Our sovereign SWARAJ products

Customers can deploy our in-house SWARAJ products – SWARAJ Bodhi, Garuda, Jatayoo, Nandi, Hansa and Sethu – air-gapped, on premises or on a sovereign cloud, retaining full ownership of their data.

What sets us apart

- **Patented technology:** Three patents for our auto-scaling technology in the United States and India.
- **Trusted with public programmes:** Our Government community cloud hosts national programmes such as the Public Distribution System, PM-KISAN and Pradhan Mantri Mudra Yojana, which alone have sanctioned loans of over ₹3,217 billion, benefitting more than 60 million citizens. With partners, we also host smart metering infrastructure for more than 5 million metres.
- **Government partnerships:** We operate three of STPI's six Tier III data centres and are building new ones in Kolkata with STPI and in Sahibabad with Central Electronics Limited. In FY26, we retained our STQC audit and MeitY empanelment for public and government cloud services.
- **Expanding capacity:** Demand for cloud and AI computing in India is growing, increasingly beyond the largest cities. In FY26, we started operations at Noida, our fifth data centre in India, and increased installed enterprise storage by 43.18% to 18,795 TB and cloud server capacity by 38.37% to 1,270.16 TB.

Case study

Bringing a state's land records online

A state government's registration and stamps department ran its systems on servers across districts, facing frequent downtime, data loss, scattered records and an expensive third-party VPN subscription.

We moved its systems to our community cloud, designed for near- and far-distance disaster recovery, and replaced the third-party VPN with our secure web VPN.

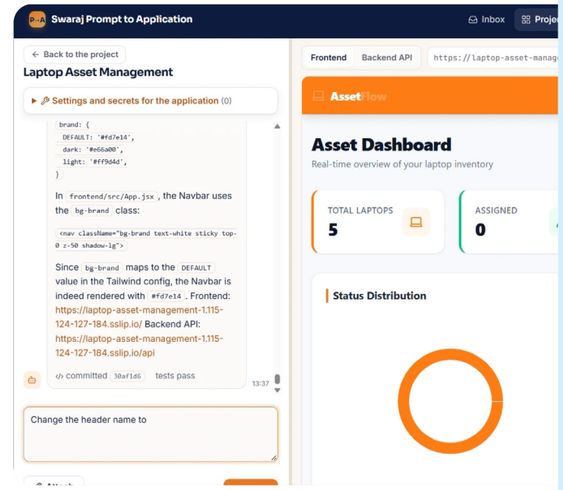
The department generates about 25,000 documents a day, and citizens have downloaded more than 47.1 million land documents since going live. Our web VPN saves it roughly ₹4.5 million a month, or about ₹270 million over five years, and digitisation has made property records more transparent and helped reduce property fraud.

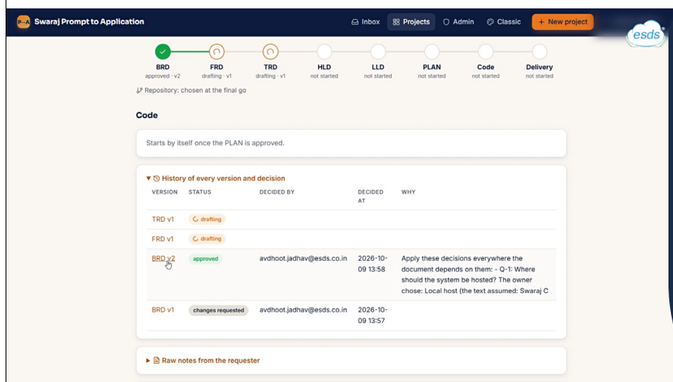
₹270 mn

ESTIMATED VPN SAVINGS OVER FIVE YEARS

47.1 mn

LAND DOCUMENTS DOWNLOADED SINCE IMPLEMENTATION





Focus ahead

We will offer **SWARAJ Cloud** and our SWARAJ products to organisations outside India that need control over their data, and expand secure cloud, disaster recovery, and cybersecurity services for public-sector customers. To meet rising demand, we will commission our Kolkata data centre in FY27 and Sahibabad in FY28 and deploy ₹5,760.00 million of IPO proceeds over FY27 and FY28 on cloud and GPU servers, storage and networking at Airoli, Bengaluru, Mohali and Nashik. We track SWARAJ product adoption, Government clients, installed capacity, utilisation and operational data centres.

End-to-end, trusted over time

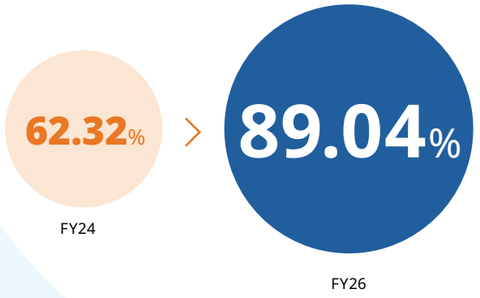
Most organisations use separate providers for software, security, operations and hosting. We combine cloud, colocation, managed services, security, GPU-as-a-Service, our AI factory and AI-enabled sovereign products in one end-to-end IT ecosystem under one contract, supporting our priorities of expanding global distribution and extending our sovereign technology.

As one accountable partner, we engage with customers directly and give them complete audit rights with on-demand transparency. This is why our customer relationships deepen over time.

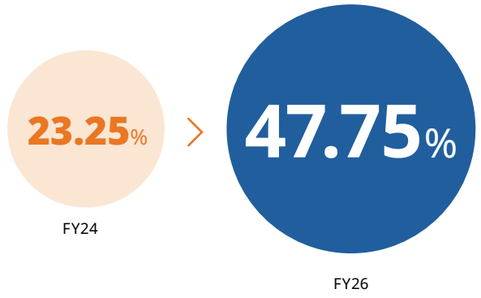
What sets us apart

- **Tailored to customer needs:** We package services around each customer's needs, in the order they require.
- **Government Community Cloud:** Built for government agencies and public sector organisations, it offers hosting, disaster recovery, 24/7 security operations, smart city and smart metering infrastructure, e-governance portals and digital financial inclusion platforms.
- **Security built in:** Between January 01 and June 30, 2026, our teams analysed more than 3,163 critical incidents and assessed over 20,000 vulnerabilities for our customers.

Customers using all three service lines



Revenue from customer relationships



Story

From one service to a lasting partnership

In 2015, the Reserve Bank of India required co-operative banks to move to core banking, though many had small IT teams and limited budgets. With a back-end IT services provider, we offered core banking as a service on our BFSI community cloud, with built-in disaster recovery and a fixed monthly fee per branch. Today, we have long-standing relationships with more than 100 banks.

A co-operative bank in Maharashtra that contracted us for IT operations in 2013 has since added a security operations centre, security information and event management, our Famrut platform and maintenance of its non-IT equipment, turning one contract into a partnership across software, security and operations.

Enterprises see the same benefits. A leading Indian biscuit and cookie maker that moved its enterprise resource planning system from a global cloud provider to our Enterprise community cloud has cut computing costs by more than 60% and has a single point of contact for its cloud needs.

60 %+

REDUCTION IN COMPUTING COSTS FOR A LEADING BISCUIT MANUFACTURER





Focus ahead

We will expand partnerships with system integrators, software vendors and technology partners to bring our integrated offering to more customers in India and overseas, tracking progress through partner-led wins.

Key performance indicators

Faster growth, wider margins, leaner balance sheet

Between FY24 and FY26, revenue grew at a CAGR of 28.38%, EBITDA Margin expanded by 1,404 basis points, and Profit After Tax rose almost ninefold, while our Debt-Equity Ratio fell to 0.08 from 0.66.

Financial

Revenue from Operations
(₹ mn)

FY26	**4,722.10**
FY25	3,613.35
FY24	2,865.18

PAT Margin
(%)

FY26	**25.59**
FY25	15.39
FY24	4.75

EBITDA
(₹ mn)

FY26	**2,342.34**
FY25	1,548.85
FY24	1,018.81

Basic Earnings Per Share
(₹)

FY26	**12.03**
FY25	5.83
FY24	1.35

EBITDA Margin
(%)

FY26	**49.60**
FY25	42.86
FY24	35.56

Return on Equity
(%)

FY26	**25.12**
FY25	17.27
FY24	6.23

Profit After Tax
(₹ mn)

FY26	**1,208.23**
FY25	556.12
FY24	136.09

Return on Capital Employed
(%)

FY26	**32.78**
FY25	24.73
FY24	14.53

Debt-Equity Ratio
(Times)

FY26	**0.08**
FY25	0.15
FY24	0.66

Customers using all three service lines
(%)

FY26	**89.04**
FY25	79.58
FY24	62.32

Operational

Customers

FY26	**2,501**
FY25	1,714
FY24	1,465

Revenue from relationships of more than five years (%)

FY26	**47.75**
FY25	31.34
FY24	23.25

Revenue Retention Rate
(%)

FY26	**94.92**
FY25	96.63
FY24	128.24

Revenue from outside India
(%)

FY26	**25.51**
FY25	24.08
FY24	5.29

Revenue Mix
(million)

FY26	**4,722.1**
FY25	3,613.4
FY24	2,865.2

Data centres in operation

FY26	**5**
FY25	4
FY24	4

Read more about our financial results in the Management Discussion and Analysis on **page 40**

People

The people who power our services

Banks, Government, Departments and Enterprises trust us with systems that cannot fail. Our engineers, operators, security experts and researchers keep them running around the clock.

Building a skilled team

Most of our people work in data centre operations, cloud infrastructure, service delivery, technical support, security management, and research and development. Average managerial experience across these teams ranges from six to 14 years, and many of our people have grown with us as we expanded from data centres to cloud, security and AI.

614
Employees in our core technical teams, as of June 2026

108
Employees supporting our international operations, as of June 2026

21.74%
Women in our workforce

Investing in our people

Technology in our field changes quickly, so learning is part of daily work. Our teams upskill through instructor-led technical workshops and self-paced courses on our Saksham platform and Udemy, with regular assessments identifying new focus areas. In FY26, we held 48 workshop batches totalling 13,440 training hours, and our people completed 17,564 hours of self-paced learning. Our leadership programmes, Karna's Lakshyabhed and Aarohan, prepare high performers for management roles, backed by defined career paths and succession plans.

Recognition and reward

Our employee stock option plans (ESOP 2021 and ESOP 2024) give employees a stake in the business, and since our listing in September 2026, option holders share directly in the value they have helped create. Performance-linked bonuses at individual, team and Company levels reward results through the year.

Supporting our employees

- Housing, car and personal loan assistance.
- Remote, compressed and hybrid work options.
- Wellness programmes and paid time off.
- Referral incentives that bring in talent through those who know us best.

A great place to work

- Ranked second among India's mid-sized Great Places to Work and 15th in Asia in 2019.
- Ranked 28th among India's Best Companies to Work for by the Great Place to Work® Institute India and The Economic Times in 2020.
- Ranked among the Top 25 Mid-size Best Workplaces in India by the Great Place to Work® Institute India in 2024.
- Received the Best Learning Culture award from ET HR World in 2024.

Environment

Cleaner energy, more efficient data centres

Data centres run 24/7 and need large amounts of power and cooling. As our capacity grows, so does our responsibility to power it sustainably, which is why transitioning to renewable energy is one of our five strategic priorities.

Our commitment

We have installed rooftop solar panels at our registered office and Nashik data centre and plan to source 50% of our power from solar within two years and 70% within three, reaching 100% renewable energy within four. We track progress through our renewable energy share and Power Usage Effectiveness.

100%
Renewable energy targeted within four years

Improving energy efficiency

- **Power Usage Effectiveness:** An average of 1.55 across our data centres, achieved through internal efficiency efforts.
- **Cooling:** Efficiency improved by approximately 35% through cold aisle containment, active tiles, booster fans and blanking plates.
- **Lighting:** Motion-sensing LED lighting reduces power use in unoccupied areas.
- **Monitoring:** An IoT platform monitors temperature and humidity at our data centres in Bengaluru and Mohali.

1.55
Average Power Usage Effectiveness across our data centres



Building renewable capacity

On-site solar panels with a capacity of 150 kWp power non-critical areas of our facilities, improving energy efficiency by 5% and avoiding around 61 tonnes of CO_2 emissions every year.

61 tonnes
CO_2 emissions avoided each year through on-site solar

Driving greener innovation

AI workloads are raising data centre power density. We are working with server vendors on water-based liquid cooling to remove heat from CPUs and GPUs more effectively, and our teams are engaged in doctoral research to quantify the carbon footprint of individual virtual machines, helping us and our customers run cloud workloads more sustainably.

Creating opportunities beyond our business

Our corporate social responsibility (CSR) efforts focus on the environment, education and digital access in the communities where we are rooted.

One Billion Trees Mission

Through our One Billion Trees Mission, we aim to plant one billion trees for reforestation and biodiversity. Our employees join plantation drives that have turned barren land in Nashik district, 10 to 15 km from the city, into a growing forest.

35,000
Trees planted to date

~200 acres
Barren land restored as forest

Education and digital inclusion

- **Education sponsorship:** We sponsor the education of our facility management staff's children.
- **Digital labs:** Laptops for village schools to set up digital labs, helping bridge the rural digital divide.

Agritech

Our Famrut platform connects farmers with buyers, advisers and service providers across the agricultural value chain, and with research partners, we have developed crop advisory tools for onion and garlic cultivation to improve farmers' income and yield.

Our CSR focus

Our CSR policy covers eradicating hunger, poverty and malnutrition; education; women's empowerment; environmental sustainability; technology incubators in approved academic institutions; and rural and slum area development. The CSR Committee, led by our Chairman and Managing Director, oversees the policy and its implementation.

₹6.59 mn
CSR spend in FY26

4,800
Beneficiaries of our CSR initiatives



Accountability at every level

As a listed company, we are strengthening the frameworks that guide our decision-making, risk management and business operations.



Board oversight

- **Independent committees:** Our Audit Committee and Nomination and Remuneration Committee comprise only Independent Directors.
- **Diversity:** Our Board Diversity Policy guides merit-based appointments while promoting diversity of skills, experience, gender, age and background. Two of our six Directors are women.
- **Familiarisation:** Induction and ongoing programmes introduce Independent Directors to our business, industry and operations.

Integrity and ethics

- **Code of Conduct:** Sets the standards of integrity, confidentiality and independent judgement for our Directors and Senior Management.
- **Anti-Bribery and Anti-Corruption Policy:** A zero-tolerance approach to bribery and corruption for employees, contractors, consultants, agents and others acting on our behalf.
- **Whistle-blower Policy:** Lets employees and other stakeholders raise concerns confidentially, with direct access to the Audit Committee Chairperson and protection for honest-faith reporting.
- **Related party transactions:** Our policy sets procedures to approve and review related party transactions, ensuring they are fair and transparent.

How we manage risk

Our Risk Management Policy, effective from our listing, sets out a structured approach to identifying and managing risks to our strategy and operations.

The Risk Management Committee and the Audit Committee support the Board in developing and overseeing the risk management plan, while management enforces daily processes and controls. Our strategic plans set our risk appetite, considering shareholder expectations, anticipated returns, capital and long-term priorities. Each function identifies, rates and prioritises its risks, records them in regularly reviewed risk profiles, and accepts, mitigates, avoids or transfers them, including through insurance, refining our processes as our business and environment change.

Our risk profile covers strategic, financial, operational, investment, people, legal and regulatory, and compliance risks. Our key risks and their management are set out in the Management Discussion and Analysis on page 40-41.

Our governance policies are available on our website, www.esds.co.in

Board of Directors

Guided by experience

Half of our six-member Board is independent. Together, our Directors bring expertise in finance, telecommunications, enterprise IT and technology.



CSR
SRC
RMC

Mr. Piyush Somani
Chairman and Managing Director*

Mr. Somani founded ESDS in 2005 and has led its evolution from a data centre services business to an AI-enabled cloud and data centre company. He leads business development and strategy, has been key to our growth in India and international markets, and is President of the Bharat Digital Infrastructure Association. He has more than two decades of experience in information technology and a bachelor's degree in engineering (electronics) from Savitribai Phule Pune University.



CSR

Mrs. Komal Somani
Whole-time Director, Chief Marketing Officer and Chief Human Resource Officer

Mrs. Somani joined ESDS in 2012 and heads strategy, human resources and marketing. She has over 13 years of experience in information technology and a bachelor's degree in engineering from the Savitribai Phule Pune University and has received the Maharashtra Nari Ratna Award 2017 and Most Innovative Woman of the Year at the She Leads Summit and Awards 2018.



Mr. Sameer Redij
Whole-time Director and Chief Business Officer

Mr. Redij joined ESDS in 2021 and leads presales, sales and the execution of our business growth strategy. He has over 14 years of experience in IT and systems with companies such as IBM India, HCL Infinet and Gartner India Research and Advisory Services, a bachelor's degree in engineering from the University of Mumbai and a postgraduate diploma in business management from the Indian Business Academy.



AC
NRC

Mr. T. G. Dhandapani
Independent Director

Mr. Dhandapani has over 38 years of experience in information technology and is the former Chief Information Officer of Sundaram-Clayton Limited. A Commerce graduate of the University of Madras and a Chartered Accountant, he completed the Global Programme for Management Development at the Ross School of Business, University of Michigan.



RMC
AC
NRC
CSR
SRC

Ms. Pamela Kumar
Independent Director

Ms. Kumar has over 18 years of experience in technology and systems with AT&T Information Systems, the Centre for Development of Telematics, Texas Instruments India, IBM India and Hewlett-Packard India, and was Director-General of India's Telecom Standards Development Organisation. She holds a bachelor's degree in engineering from Panjab University and a master's degree in science from Rutgers, The State University of New Jersey.



SRC
AC
NRC
RMC

Mr. Venkatesh Natarajan
Independent Director

Mr. Natarajan has over 24 years of experience in information management and was President of Ashok Leyland Information Management Services. Recognised as a Digital Transformation Champion by Capgemini and the CIO Crown in 2014, he holds a bachelor's degree in mechanical engineering and master's degrees in engineering management and maintenance engineering from the University of Mysore.

Board committees and key management

AC Audit Committee
NRC Nomination and Remuneration Committee
CSR Corporate Social Responsibility Committee
SRC Stakeholders Relationship Committee
RMC Risk Management Committee
Chairman
Member

*Key Managerial Personnel

Leadership team



Mr. Nadukuru Sita Ramaiah

Chief Financial Officer*

Mr. Ramaiah joined ESDS in 2022 and oversees finance, domestic billing and purchase. He has over 28 years of finance experience, including senior roles at Advanced System in Package Technologies, Microsemi India and ZF India Technology Center.



Mr. Prasad Deokar

Company Secretary and Compliance Officer*

Mr. Deokar joined ESDS in 2022 and oversees legal and secretarial functions. A law graduate from the University of Pune and an associate member of the Institute of Company Secretaries of India, he has over a decade of experience in secretarial compliance.



Mr. Sushil Kadu

Chief Product Officer

Mr. Sushil Kadu has over 20 years of experience in enterprise technology, cloud infrastructure, artificial intelligence and digital transformation. He leads the execution of the Company's product strategy and innovation for next-generation cloud and AI-powered enterprise platforms.



Mr. Ashok Pomnar

Senior Vice President

Mr. Pomnar joined ESDS in 2005 and looks after cloud operations, data centre infrastructure and networks, compliance and corporate IT. He holds a master's degree in computer engineering and is pursuing a Ph.D on a carbon emissions index framework for cloud data centres.



Mr. Gaurav Godse

Chief Artificial Intelligence Officer

Mr. Godse joined ESDS in 2015 and leads our AI strategy, including developing and deploying machine learning and AI solutions across our products, platforms and operations, and ensuring AI is used ethically, securely and in line with regulations.

*Key Managerial Personnel

34-232

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Statutory reports

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Management Discussion and Analysis

Economic overview

Global economy

The global economy demonstrated resilience throughout the year, notwithstanding the disruption to energy supply and geopolitical tensions such as the conflict in West Asia. Energy markets adjusted by redirecting supply, ramping up production in other areas and substituting alternative sources. Investment in artificial intelligence (AI) and associated technologies was a key source of support, lifting activity and trade around the world.[1]

The International Monetary Fund (IMF) predicts that global growth will be 3.10% in CY26 and 3.40% in CY27. Headline inflation is forecast to rise to 4.70% in CY26, driven largely by elevated energy and food prices, before easing to 4.10% in CY27. The main downside risks to the outlook are continued geopolitical tensions and tighter financial conditions.[1]

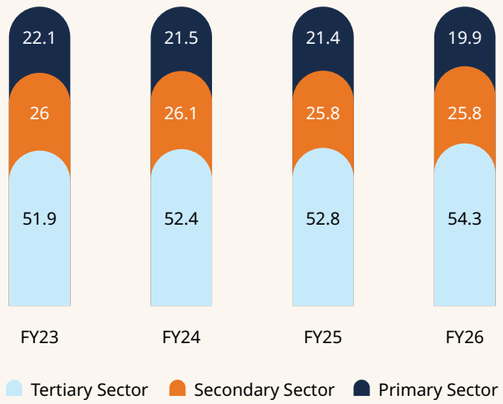
ESDS Software Solution Limited (ESDS) is fulfilling the need for graphics processing unit (GPU) computing capacity in India and overseas due to global investment in AI. We are offering this capacity through our GPU-as-a-Service (GPUaaS) offering and our global AI infrastructure contracts.

Indian economy

India sustained strong growth in FY26. Real Gross Domestic Product (GDP) grew by 7.70%, up from 7.10% in FY25, and nominal GDP grew by 8.90%. Investment was a key driver, with gross fixed capital formation rising by 8.20%.[2]

India's tertiary sector's share in nominal Gross Value Added (GVA) went up to 54.30% in FY26 from 51.90% in FY23.[3] It also registered the highest growth rate of 9.30% in the year, surpassing the secondary sector at 8.80%. Financial, real estate, IT and professional services grew by 10.40%, while trade, hotels, transport, communication and broadcasting services grew by 11.00%.[2] These services operate on digital platforms, and their growth is adding to the demand for secure hosting, cloud and managed services, the foundation of our business. India's digital economy currently accounts for about 12–14% of the country's GDP, which is expected to grow to close to 20% by 2030.[3]

Share of India's nominal GVA by sector, FY26 (%)



Source: Nexdigm Analysis, India Economic Survey.

Note:
Primary – Involves the extraction and use of natural resources, such as agriculture, mining and forestry.

Secondary – Encompasses manufacturing and industrial activities that transform raw materials into finished goods.

Tertiary – Comprises service-oriented activities that support both the primary and secondary sectors, including retail, banking and healthcare.

Foreign direct investment (FDI) equity inflows increased to $58,846 million in FY26, up 17.65% over FY25. The computer software and hardware sector was the largest recipient, accounting for $13,946 million, or 23.70% of the total.[3]

In December 2025, the Reserve Bank of India (RBI) projected a Consumer Price Index (CPI) inflation of 2.00% for FY26, as prices softened. This allowed the RBI to lower the policy repo rate cumulatively by 100 basis points to 5.25% during the year to spur growth.[4]

The RBI has projected real GDP growth at 7.10% for FY27, supported by private consumption, investment and exports. The RBI raised the repo rate by 25 basis points to 5.50% in October 2026, expecting CPI inflation to rise to 5.20%, and moved to a stance of calibrated tightening.[5] A Debt-Equity Ratio of 0.08 at the end of FY26 limits our exposure to higher interest rates.

Sources

1. International Monetary Fund, World Economic Outlook, October 2026
2. Ministry of Statistics and Programme Implementation, Provisional Estimates of Annual GDP for FY2025-26
3. ESDS Software Solution Limited, Prospectus dated September 1, 2026, Industry Overview (Nexdigm Private Limited): pp. 168–170 and 176
4. Reserve Bank of India, Monetary Policy Statement, December 2025
5. Reserve Bank of India, Monetary Policy Statement, October 2026

7.10%
RBI projection for India's real GDP growth in FY27

7.00%
IMF projection for India's real GDP growth in FY27

7.90%
India's real GVA growth in FY26

9.10%
India's nominal GVA growth in FY26

10.70%
Growth in India's manufacturing GVA in FY26

Industry structure and developments

The data centre and cloud ecosystem in India comprises global hyperscalers, large Indian data centre players and Indian cloud service providers. Enterprises and hyperscalers represent about 75% of data centre revenue, while the Government contributes 5% and banking, financial services and insurance (BFSI) about 15%.[1] We serve clients in all three segments. How we are positioned to capture this opportunity is set out in the opportunity before us on page 14-15.

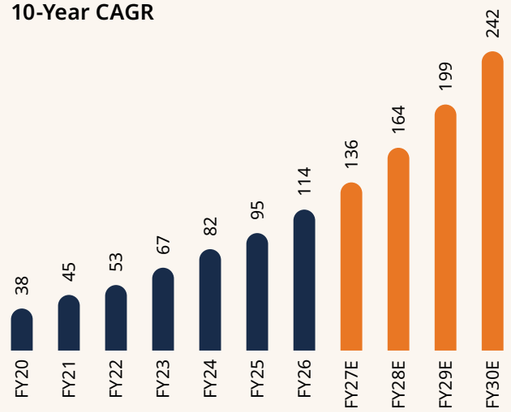
Data centres

The Indian data centre market is estimated at ₹114 billion in FY26 and is projected to grow at a Compound Annual Growth Rate (CAGR) of 20.70%. By FY30, it is expected to more than double to ₹242 billion. Installed capacity is projected to reach 3,748 MW by the end of FY30. Between 2019 and 2024, the sector attracted $60 billion in investment commitments, with expectations to exceed $100 billion by 2027. Demand is high for Tier III and Tier IV facilities because of their disaster recovery and uptime capabilities.[1]

Capacity is concentrated in Mumbai, which has subsea cable landing stations and strong demand from the BFSI sector. New capacity is being moved to Tier II and Tier III cities, which offer lower land and labour costs, improving infrastructure and greater network resilience.[1] We began our data centre operations in Nashik, a Tier-2 city, and we now manage the Software Technology Parks of India (STPI) data centres in Bengaluru, Mohali and Noida.[1]

India's data centre market (₹ billion)

20.46%
10-Year CAGR



Source: Interview with industry experts, Nexdigm Analysis
Note-E stands for Estimated.

Sources

1. ESDS Software Solution Limited, Prospectus dated September 1, 2026, Industry Overview (Nexdigm Private Limited): pp. 172, 178–187, 189–191, 195, 205–208 and 210

Management Discussion and Analysis

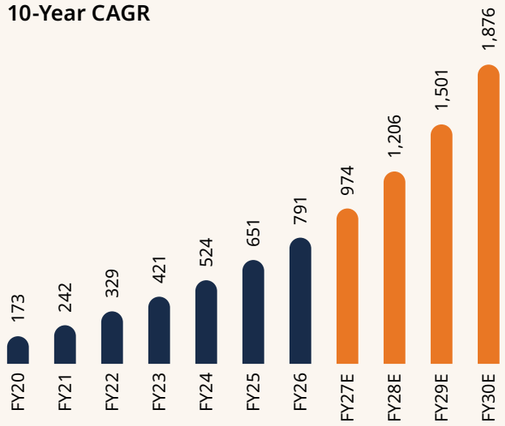
Cloud services

The cloud services market in India is estimated to grow from ₹791 billion in FY26 to ₹1,876 billion by FY30. From FY20 to FY26, the public cloud market grew at a CAGR of 28.85%, outpacing the global rate of 20.79%. AI generated ₹62.52 billion in revenue in FY26, which is 7.90% of the cloud market.[1]

Cloud spending in India in FY24 was just 0.15% of GDP, much lower than the United States (0.75%) and Singapore (0.72%), pointing to considerable headroom for growth in the cloud sector.[1] We purpose-build our cloud platforms for Government, BFSI, and enterprise customers to meet their strict compliance requirements.

India's cloud services market (₹ billion)

26.9%
10-Year CAGR



Source: Interview with industry experts, Nexdigm Analysis
Note-E stands for Estimated, P stands for projected.

Managed services

The managed services market was valued at ₹175.72 billion in FY26 and is projected to grow at a CAGR of 23.15% to reach ₹402.85 billion by FY30. Increasingly, enterprises are turning to specialised providers to manage their IT infrastructure and security.[1]

The managed security services segment holds the highest market share of 59%, followed by managed cloud hosting services with 25% and managed data centre services with 16%.[1] We have a security operations centre, as well as AI and security products that help us cater to the biggest of these segments.

Cloud GPU

India's cloud GPU market is expected to grow more than five times from $99.47 million in FY26 to $513.67 million in FY30. India is the fastest-growing GPU infrastructure market in the Asia-Pacific region, and GPU deployments are projected to grow at a CAGR of 72.50% between FY25 and FY30. In addition, GPU computing in India is priced 40–50% lower than global benchmarks. AI start-ups are the primary drivers of demand, accounting for 40–50% of the segment's growth, and BFSI, pharma and manufacturing companies are also building GPU-based infrastructure to address AI workloads. Global hyperscalers are dominating the market, but Indian providers such as ESDS are emerging as strong competitors, offering affordable and sovereign cloud services. They are also expanding their services in the Middle East and Asia-Pacific.[1]

Growth enablers

Several factors are supporting the growth of the industry:

- **Digital adoption:** India had 1,114.17 million internet subscribers as of June 2026.[2] The 5G subscriber base reached 400 million by June 2026, representing 35% penetration within three years of its launch. Average monthly wireless data usage per subscriber increased from 12 GB in FY21 to 26.7 GB in FY26.[1] The Unified Payments Interface (UPI) saw 22.72 billion transactions worth over ₹28.92 trillion as of June 2026, and the increase in transactions is adding to the growth in data volumes.[1]
- **AI adoption:** In FY26, the technology industry and BFSI saw AI adoption rates of 75% and 72%, respectively. By mid-2026, India had over 3,100 generative AI start-ups.[1] These workloads require GPU computing capacity and high-density, AI-ready data centres.
- **Government initiatives:** The IndiaAI Mission has set up a national AI compute grid with over 58,000 GPUs deployed across 13 empanelled cloud service providers. It subsidises about 40% of GPU leasing costs for domestic AI developers. Under the MeghRaj initiative, the number of Government departments on the cloud has grown from 342 in 2015-16 to 2,323 as of June 2026. They source cloud services from the providers empanelled by the Ministry of Electronics and Information Technology (MeitY) via the Government e-Marketplace (GeM).[1]
- **Policy and fiscal support:** The Data Centre Policy 2020 grants data centres infrastructure status, fiscal incentives and Data Centre Economic Zones. Three of our five data centres are in Maharashtra and Karnataka, which power tariff concessions and single-window clearances.[1] The Union Budget 2026-27 has announced a tax holiday until 2047 for foreign cloud providers using data centres in India run by Indian companies in MeitY-notified facilities.[3]
- **Data protection and localisation:** Notified in November 2025, the Digital Personal Data Protection (DPDP) Rules, 2025, provide a time frame of 18 months for the phased implementation of the DPDP Act, 2023.[4] The RBI requires payment system data to remain within the country.[5] Sectoral regulations in banking, insurance and healthcare do not allow sensitive data to go out of India.[1] These requirements have resulted in growing demand for cloud, data centre and GPU services hosted in India.
- **Enterprise digitisation:** The country's 3,728 Global Capability Centres (GCCs) generated estimated revenue of $98.40 billion in FY26. In addition, organisations are moving to hybrid and multi-cloud models. In FY26, about 55-60% of the surveyed small and medium-sized enterprises (SMEs) used cloud technology to expand their businesses.[1]

20.39%
CAGR of India's data centre market, FY20 to FY25

22.25%
CAGR of India's cloud services market, FY20 to FY25

1,545 MW
India's installed data centre capacity, March 31, 2026

27.49%
CAGR of India's managed services market, FY20 to FY25

46%
Mumbai's share of India's installed data centre capacity

Sources

Note: Economic and industry data are based on the latest available publications of the sources cited.

1. ESDS Software Solution Limited, Prospectus dated September 1, 2026, Industry Overview (Nexdigm Private Limited): pp. 172, 178–187, 189–191, 195, 205–208 and 210
2. Telecom Regulatory Authority of India, Press Release No. 135 of 2026
3. Press Information Bureau, Budget 2026-27 Sets the Stage for India as a Global Hub for Cloud and AI Infrastructure, February 2026
4. Press Information Bureau, DPDP Rules, 2025 Notified, November 2025
5. Reserve Bank of India, Storage of Payment System Data: Frequently Asked Questions

Opportunities and threats

Opportunities

- **Rising demand for AI computing capacity:** India produces about 20% of the world's data but only about 2% of the global computing capacity.[1] This gap points to significant headroom for AI computing capacity. The advent of AI, large language models and generative AI has driven up the demand for high-density data centres, GPU hosting and AI computing infrastructure.[2] Our AI products and GPUaaS offering position us to serve this demand.
- **Data protection and localisation:** Data protection regulations and RBI requirements for the storage of payment data favour services hosted in India.[1,2] We are empanelled with the Ministry of Electronics and Information Technology (MeitY) as a cloud service provider and offer these services from our data centres throughout India.
- **Government digitisation:** E-governance, national data programmes and smart city projects require secure hosting and managed services.[1] We have worked with our partners on smart city and smart metering projects, including one covering 5 million meters in Uttar Pradesh.
- **Integrated offerings:** Bundling infrastructure, managed services and software creates cross-selling opportunities, while switching costs help foster long-term customer relationships.[2,3] Our end-to-end portfolio allows us to capture these opportunities.

Threats

- **Competition:** We compete with global hyperscalers, large domestic data centre operators and cloud service providers, with new entrants coming into the market on a regular basis.[2,3] The high capital requirements, along with the power, connectivity and cooling needs of AI workloads, create entry barriers that favour established operators.[2]
- **GPU supply and cost:** Global semiconductor constraints may lengthen lead times for GPUs and raise the prices of processors and memory chips, increasing the cost of planned equipment purchases.[1]
- **Power availability and cost:** Data centres rely on reliable, low-cost power, and a single severe outage can cost more than $100,000.[1] Our data centres have redundant uninterruptible power supply (UPS) systems, with N+1 diesel generator back-up.

Business overview and operational performance

Our business

We are an AI-enabled cloud, managed services, data centre infrastructure and software solutions provider. We are one of only two companies in India to offer this full suite of services, including GPUaaS, and we are the larger of the two by revenue in FY26. Our business has three service lines: Infrastructure-as-a-Service (IaaS), which includes cloud and colocation services; managed services; and Software-as-a-Service (SaaS). **SWARAJ Cloud**, powered by our patented vertical auto-scaling technology in the United States and India, runs our IaaS. Further details of our platforms and products are provided on page 16-17.

We have five Tier III data centres in Nashik, Navi Mumbai, Bengaluru, Mohali and Noida, with a combined area of over 75,266 sq ft. During the year, we commenced operations at our data centre in Noida. Over the last three years, each of our data centres has maintained an uptime of at least 99.995% during its operational periods. In November 2025, we expanded our portfolio to include a fully managed GPUaaS offering.

After the close of the year, we successfully completed our Initial Public Offering (IPO), raising ₹7,200.00 million through the issue of 16,783,216 equity shares of face value ₹1 each at ₹429 per share. The listing of our equity shares on BSE Limited and the National Stock Exchange of India Limited on September 4, 2026, marked a significant milestone in our journey. Of the net proceeds, ₹5,760.00 million is earmarked for equipment and infrastructure at our Airoli, Bengaluru, Mohali and Nashik data centres over FY27 and FY28.

We operate in a single reportable segment under Ind AS 108, and present our performance by service line.

Sources

1. Nexdigm Private Limited, India Data Centre, Cloud Services and Managed Services Industry Outlook, August 2026: pp. 10, 20, 24, 36, 45–47 and 62–63
2. India Ratings and Research, Rating Rationale for ESDS Software Solution Limited, September 29, 2026
3. Crisil Ratings, Rating Rationale for ESDS Software Solution Limited, September 16, 2026

Revenue by service line

₹ million

	FY26	FY25	Change (%)	FY26 share (%)
Infrastructure-as-a-Service (IaaS)	2,071.97	2,036.41	1.75	43.88
Cloud services and cloud computing	1,678.90	1,663.16	0.95	35.55
Colocation and data centre services	393.07	373.25	5.31	8.33
Managed services	1,945.91	756.50	157.22	41.21
Software-as-a-Service (SaaS)	704.22	820.44	(14.17)	14.91
Revenue from Operations	4,722.10	3,613.35	30.68	100.00

Revenue from Operations grew 30.68% y-o-y to ₹4,722.10 million. Managed services led this growth, with revenue rising 157.22%, driven by new customer acquisitions, including ₹752.40 million from a new enterprise customer outside India, and a 40.07% increase in revenue from existing customers.

IaaS revenue rose 1.75% to ₹2,071.97 million. Revenue from existing IaaS customers grew by 31.12%, offsetting the lower contribution from new customers and the normalisation of revenue from an overseas BFSI customer. SaaS revenue was ₹704.22 million, reflecting fewer new customer additions.

Customers and geography

We served 2,501 customers in FY26, up from 1,714 in the previous year. Enterprise customers contributed 55.10% of revenue from operations, Government customers 27.37% and BFSI customers 17.53%. Revenue from Enterprise customers grew 81.78% and from Government customers 21.16%. BFSI revenue declined to ₹827.90 million from ₹1,115.35 million, mainly reflecting lower revenue from an overseas BFSI customer, and its share fell to 17.53% from 30.87%.

Customers in India contributed 74.49% of Revenue from Operations, and customers outside India contributed 25.51%, led by the United Arab Emirates (UAE) at 18.50%, up from 1.15% in FY25, and the United Kingdom at 4.14%. Revenue from Russia fell to 2.80% of Revenue from Operations from 20.15%, following the normalisation of revenue from the overseas BFSI customers.

Our integrated offering is deepening relationships: 89.04% of customers used all three service lines in FY26, up from 79.58% in the previous year. Customers with relationships of more than three years contributed 65.60% of revenue, and our revenue retention rate was 94.92%, reflecting lower revenue from the overseas BFSI customer.

Capacity and utilisation

Installed capacity (TB)	FY26	FY25	FY26 utilisation (%)
Cloud servers	1,270.16	917.95	67.03
Enterprise storage	18,795.00	13,126.87	65.38
Archive storage	19,631.23	10,942.71	45.56

We expanded installed capacity across cloud servers and storage during the year, while maintaining headroom in utilisation to accommodate demand spikes, new customers and scheduled maintenance.

AI infrastructure

On March 31, 2026, we entered into a strategic AI cloud infrastructure agreement with an Australia-based AI computing service provider for an initial term of five years, with an option to extend by two years, aggregating to a total contract value of approximately $1,250 million. Under the agreement, the provider will deploy and operate a dedicated cluster of approximately 8,208 NVIDIA B300 GPUs, along with associated storage, within an existing data centre facility in Australia. Revenue under the agreement is expected to commence in FY27.

Our subsidiary, SPOCHUB Solutions Private Limited (SPOCHUB), has secured a contract with an enterprise customer incorporated outside India for a new GPUaaS project, under which it will provide exclusive access to cloud infrastructure. An advance of ₹11,766.35 million has been received under the contract and will be recognised as revenue over the contract term after go-live.

Management Discussion and Analysis

Financial performance

On a consolidated basis, revenue from operations increased by 30.68% to ₹4,722.10 million in FY26, well ahead of the 6.57% increase in total expenses. Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) increased by 51.23% to ₹2,342.34 million, and the EBITDA Margin improved by 674 basis points to 49.60%, due to a higher share of managed services and operating leverage. Profit After Tax (PAT) more than doubled to ₹1,208.23 million, supported by lower finance costs following the repayment of borrowings and a lower Effective Tax Rate of 27.83%.

₹ million

	FY26	FY25	Change (%)
Revenue from operations	4,722.10	3,613.35	30.68
Total income	4,806.52	3,766.41	27.62
EBITDA	2,342.34	1,548.85	51.23
Finance costs	117.90	252.49	(53.31)
Profit Before Tax (PBT)	1,674.23	825.95	102.70
PAT	**1,208.23**	**556.12**	**117.26**
EBITDA Margin (%)	49.60	42.86	
PAT Margin (%)	25.59	15.39	
Earnings Per Share (EPS), basic (₹)	12.03	5.83	

Total equity rose to ₹5,441.99 million, and borrowings fell to ₹429.17 million, bringing the Debt-Equity Ratio down to 0.08. Cash and cash equivalents stood at ₹12,533.85 million on March 31, 2026, primarily due to the advance received for the GPUaaS contract, which is recorded under other current liabilities. Net cash from operating activities was ₹13,677.13 million, and Days Sales Outstanding (DSO) improved from 101 to 79 days. After the year ended, India Ratings and Research upgraded the long-term rating on our bank loan facilities to IND A/Stable from IND BBB+.

Details of significant changes in key financial ratios

Ratio	FY26	FY25	Change (%)	Reason for change of 25% or more
Debtors Turnover Ratio	4.68	4.28	9.24	–
Inventory Turnover Ratio	–	–	–	Not applicable
Interest Coverage Ratio	19.87	6.13	223.87	Higher EBITDA and lower finance costs following debt repayment
Current Ratio	1.16	2.13	(45.60)	Advance received for the GPUaaS contract recorded under current liabilities, with corresponding cash balances
Debt-Equity Ratio	0.08	0.15	(47.49)	Debt repayment and growth in equity
Operating Profit Margin (%)	49.60	42.86	15.72	–
Net Profit Margin (%)	25.59	15.39	66.25	Revenue growth, operating leverage and lower finance costs
Return on Net Worth (%)	22.85	13.71	66.62	Growth in PAT

Debtors Turnover Ratio is calculated as revenue from operations divided by average billed trade receivables. The Interest Coverage Ratio is calculated as EBITDA divided by finance costs. Return on Net Worth is calculated as PAT divided by net worth at the end of the year.

Risks and concerns

Our Risk Management Committee, chaired by an Independent Director, oversees financial, operational, sectoral, sustainability, information and cybersecurity risks and reviews mitigation measures and business continuity plans. Risks are rated on consequence, exposure and probability, and management reports them to the Board every six months.

Our key risks relate to rapid technological change, customer concentration, changes in Government policy, cybersecurity and service continuity, our international operations, supply and project execution and collections. Our in-house research and development team keeps our platform current and has extended it to include GPUaaS and a range of AI and security products. Our customer base has broadened, with our top 10 customers contributing 45.36% of revenue from operations in FY26, down from 49.34% in the previous year. Our MeitY empanelment and partnerships with Government agencies support our public sector business. Redundant power and cooling, round-the-clock support and data back-ups replicated across our data centres support our record of no service disruption since April 01, 2023. We review our customers' financial standing regularly, obtain vendor quotations in advance for planned equipment purchases and monitor developments in each international market. Further details of our risk management framework are provided on page 29.

Human resources

Our team brings extensive expertise in enterprise IT, data centre infrastructure, cybersecurity and cloud computing. We had 995 employees as of March 31, 2026, and employee relations were cordial throughout the year.

In FY26, employees completed 13,440 hours of technical training across 48 workshop batches and 17,564 hours of self-paced learning and were assessed across 59 technologies. Our employee stock option plan gives employees a stake in our growth, and our leadership programmes, Karna's Lakshyabhed and Aarohan, build management capability. Further details are provided in the People section on page 26.

Internal control systems and their adequacy

We have internal financial controls commensurate with the size, scale and nature of our operations. They are designed to safeguard assets, prevent and detect frauds and errors, and ensure accurate accounting records and timely, reliable financial reporting.

The internal audit function reviews the adequacy and effectiveness of these controls, and its reports are reviewed by the Audit Committee, which comprises three Independent Directors. The Statutory Auditors have reported that our Company has, in all material respects, adequate internal financial controls with reference to its standalone and consolidated financial statements and that these controls were operating effectively as of March 31, 2026.

Disclosure of accounting treatment

Our financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), and no treatment different from that prescribed in an Accounting Standard has been followed.

Outlook

We enter FY27 as a listed company with a strong balance sheet, a diverse customer base and a growing international AI infrastructure business. During the year, we expect to start services under our AI cloud infrastructure agreement, with revenue expected in FY27, and to commission our data centre in Kolkata, followed by Sahibabad in FY28. We will deploy IPO proceeds to expand cloud computing capacity at our data centres and scale SWARAJ Cloud and our AI and security products across India and international markets. Strong demand for cloud and AI infrastructure in India and overseas positions us well to build on this momentum.

Cautionary statement

Statements in this Management Discussion and Analysis describing our objectives, projections, estimates and expectations may be forward-looking statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Factors that could affect our operations include economic conditions in India and overseas, demand and pricing, competition, the availability and cost of equipment and power, currency movements and changes in regulations and tax laws. We undertake no obligation to publicly revise any forward-looking statement on the basis of subsequent developments, information or events.

Board's Report

Dear Members,
ESDS Software Solution Limited

Your Directors are pleased to present the Twenty-First (21st) Annual Report ("**Report**") together with the Audited Financial Statements of the Company for the financial year ended March 31, 2026.

This Report marks a significant milestone in the Company's journey, being the first Annual Report following the highly successful listing of its equity shares on **BSE Limited** and the **National Stock Exchange of India Limited (NSE)**. The overwhelming response from investors and the strong market debut underscore the confidence of stakeholders in the Company's vision, business model, and growth prospects.

1. Financial Results

The financial performance of your Company for the year ended March 31, 2026 is summarised below:

(₹ in million except EPS)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Total Receipts/Gross Sales and Operating Income	3,872.85	3,735.33	4,806.52	3,766.41
Profit Before Depreciation, Tax and Exceptional Items	1,541.28	1,480.99	2,308.86	1,449.41
Depreciation and Amortisation Expenses	634.58	607.43	634.63	622.06
Profit/(Loss) Before Tax & Exceptional Items	906.70	873.56	1,674.23	827.35
Exceptional Items	-	1.41	-	1.41
Provision for Taxation	285.21	264.58	466.00	269.83
Profit/(Loss) after tax	621.49	607.57	1,208.23	556.11
Other Comprehensive Income	7.48	(2.18)	18.57	(12.51)
Total Comprehensive Income (post non-controlling interest)	628.97	605.40	1,221.40	543.60
Earnings per Equity Share (EPS)				
Basic (face value ₹ 1/- each)	6.19	6.37	12.03	5.54
Diluted (face value ₹ 1/- each)	6.08	6.37	11.81	5.54

* Total Comprehensive Income in the consolidated column is attributable to owners of the Company; non-controlling interest share of profit for FY25-26 is ₹5.40 million. Previous year consolidated EPS is as reported in the audited consolidated financial statements for FY25-26.

Performance of the Company during FY25-26

The Company delivered a steady performance in FY25-26 on a standalone basis, while the Group recorded a strong growth on a consolidated basis. Standalone revenue from operations grew by 5.8% year-on-year and profit after tax grew by 2.3%. Consolidated revenue from operations grew by 30.7% and consolidated profit after tax increased by 117.3%, driven by the AI infrastructure (GPU-as-a-Service) technical design business executed through the subsidiary SPOCHUB Solutions Private Limited. Continued deleveraging and healthy cash generation further strengthened the balance sheet.

During and after the year under review, the Group has made significant progress in AI infrastructure. Through its subsidiaries the Group has contracted access to approximately 8,200 NVIDIA B300 GPUs, along with high-performance storage, under a five-year arrangement, with go-live expected in December 2026. In July 2026, the Company launched **SWARAJ Cloud**, its AI-autonomous sovereign cloud ecosystem, together with a suite of indigenous security and observability products. These initiatives, combined with a growing order book and a strong government and BFSI franchise, give the Board confidence in the Company's medium-term growth trajectory.

Revenue Growth and Market Performance

Total Revenue Growth: Standalone revenue from operations increased by 5.8%, from ₹3,574.28 million in FY24-25 to ₹3,781.17 million in FY25-26. Consolidated revenue from operations increased by 30.7%, from ₹3,613.35 million to ₹4,722.10 million.

Consolidated domestic sale contributed ₹3,517.69 million in FY25-26, up 28.22% from ₹2,743.37 million in FY24-25, reflecting strong traction in the domestic market, particularly with Government and BFSI customers.

International Revenue was ₹1,204.41 million in FY25-26 as against ₹869.98 million in FY24-25.

Fund Raising and Debt Reduction

During FY2025-26, the Company did not raise any fresh equity capital. Subsequent to the close of the financial year, the Company completed its Initial Public Offering (IPO) of 1,67,83,216 equity shares aggregating to ₹7,200 million and its equity shares were listed on BSE Limited and National Stock Exchange of India Limited on 4th September, 2026.

During the year, the Company repaid the long-term borrowings of ₹167.49 million and short-term borrowings of ₹30.47 million. Total borrowings reduced by 31.6% from ₹627.13 million as on March 31, 2025 to ₹429.17 million as on March 31, 2026, and finance costs reduced from ₹218.63 million to ₹117.90 million.

These actions reflect strong financial management and a sincere effort to strengthen the stakeholders' value.

Capital Expenditure and Investments

During the year, the Company incurred capital expenditure of ₹1,258.92 million on property, plant and equipment and intangible assets. The Company also received ₹363.99 million from its subsidiary towards repayment of loan and interest thereon; the loan outstanding from subsidiary stood at ₹42.94 million as on March 31, 2026 (previous year ₹393.18 million).

These investments support expansion of data-centre, cloud and AI infrastructure capacity and position the Company for future growth.

New Orders and Client Base

ESDS secured additional and new orders in FY25-26 amounting to TCV ₹2,821.44 million, ACV ₹1,702.23 million, significantly expanding its existing order book.

Through its subsidiary SPOCHUB Solutions Private Limited, ESDS has secured AI infrastructure (GPU-as-a-Service) orders totalling ₹ 849.49 million. SPOCHUB reported a profit of ₹539.64 million for the year, contributing significantly to the consolidated performance.

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

STPI Partnership Impact

Additional and new orders were secured through the STPI partnership in FY25–26 amounting to ₹1,299.80 million.

These high-value contracts provide recurring cash flows, strengthen revenue visibility, and position ESDS on a firm financial footing.

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

Collections and Cash Flow

Collections were ₹ 4,083.61 million in FY25-26 as compared to ₹ 3,852.78 million in FY24-25. Net cash generated from operating activities stood at ₹ 1264.36 million.

This growth reflects improved operational efficiency and stronger cash realisation.

Enhanced collections boost liquidity, strengthen working capital, and signal the sustainability of ESDS's growth trajectory.

This performance also provides additional confidence to stakeholders and investors.

Return on Equity

Return on Equity (ROE) was 12.77% in FY25-26 as against 17.15% in FY24-25 on Standalone basis.

The decline in ROE is primarily on account of the increase in average shareholders' equity (following the equity raise in FY2024-25) without a proportionate growth in profit after tax.

Leverage and Profitability

Leverage improved further in FY25-26, with total debt reducing by 31.6% and Debt/EBITDA improving from 0.41 to 0.27, driven by repayment of borrowings and higher EBITDA.

This improvement enhances the Company's financial stability and strengthens its ability to fund future growth.

Other Key Metrices (Standalone) are mentioned below for FY 2025-26 Vs FY 2024-25.

(₹ in million except ratio and percent)

Particulars	FY 2025-26	FY 2024-25	Change
Revenue from Operations	3,781.17	3,574.28	5.8%
EBITDA	1,567.50	1,538.57	1.9%
PBT	906.70	872.15	4.0%
PAT	621.49	607.57	2.3%
DEBT	429.17	627.13	(31.6)%
DEBT/EBITDA (Ratio)	0.27	0.41	0.41 to 0.27
ROE	12.77 %	17.15 %	17.15% to 12.77%

Board's Report

Initial Public Offering (IPO) and Listing

Your Company had filed the Draft Red Herring Prospectus ('DRHP') with SEBI and the Stock Exchanges on March 31, 2025 under the SEBI (ICDR) Regulations. Subsequently, the Company filed the Red Herring Prospectus dated August 24, 2026 with the Registrar of Companies, Mumbai-II Maharashtra. The IPO, comprising a fresh issue of 16,783,216 equity shares aggregating to ₹ 7,200 million, opened on August 28, 2026 and closed on September 1, 2026, at an issue price of ₹429 per equity share. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 4th September, 2026.

The IPO received an overwhelming response, with subscriptions reaching 143 times the shares offered. The stock debuted with a 76.5% listing premium over the issue price of ₹429 per share.

The Equity Shares of the Company are listed under BSE Scrip Code 544898, NSE Symbol ESDS and ISIN INE0DRI01029.

The proceeds of the fresh issue are being utilised for the objects stated in the Prospectus. In terms of Regulation 32 of SEBI LODR, the utilisation is monitored by Crisil Ratings Limited and reviewed by the Audit Committee. There has been no deviation/variation in the utilisation of IPO proceeds till the date of this Report.

IPO-related expenses of ₹ 107.34 million incurred up to March 31, 2026 were carried under other current assets, since the IPO was carried out subsequently.

The IPO consisted entirely of a fresh issue of equity shares and was completed in September 2026, with the shares listed on BSE Limited and National Stock Exchange of India Limited on 4th September, 2026. These expenses, together with further issue expenses incurred up to completion of the IPO, will be adjusted against the securities premium account in FY26-27, in accordance with Ind AS 32 and Section 52(2)(c) of the Companies Act, 2013. The total issue expenses are ₹ 529.52 million including taxes.

The Board places on record its sincere appreciation to the shareholders, investors, regulators, stock exchanges depositories, intermediaries, advisors and all other stakeholders for their valuable support and confidence. The Board also acknowledges the commitment and efforts of the management team and employees in successfully accomplishing this significant milestone.

2. Share Capital:

As at March 31, 2026, the Authorised Share Capital of the Company stood at ₹ 460 million consisting of 460,000,000 (Four Hundred and Sixty million) equity shares of face value of ₹ 1/- each aggregating to ₹460,000,000 (Rupees Four Hundred and Sixty million Only).

As at March 31, 2026, the Company's paid-up Equity Share Capital stood at ₹ 10,04,27,753/- (Rupees Ten Crore, Four Lakh, Twenty-Seven Thousand, Seven Hundred Fifty-Three only) consisting of 10,04,27,753 fully paid-up Equity shares of ₹ 1/- each.

There was no change in the Authorised Share Capital of the Company during the year under review.

During the year under review, the Company has not issued any equity shares, shares with differential voting rights or sweat equity shares. During the year, 8,50,340 equity shares held by the ESDS Employee Benefit Trust were transferred to eligible employees upon exercise of options under ESOP 2021.

Subsequent to the year end, pursuant to the IPO, the Company allotted 1,67,83,216 equity shares of ₹1/- each on September 02, 2026, consequent to which the paid-up equity share capital of the Company stands increased to ₹ 11,72,10,969/- consisting of 11,72,10,969 equity shares of ₹1/- each.

3. Other/Debt Securities:

Your Company has not issued any debentures or other debt securities during the year under review and no debentures were outstanding as on March 31, 2026.

4. Dividend:

Your Company is investing to grow its sovereign cloud and AI infrastructure business. This includes building GPU capacity in India and abroad, expanding data centre capacity and developing its in-house platforms, including the Swaraj Cloud suite. These investments are what the Company's next phase of growth depends on, and they need sustained capital alongside the IPO proceeds earmarked for data centre equipment.

Given this, the Board of Directors considers it prudent to plough back the profits for FY25-26 into the business. This approach preserves balance sheet strength, keeps reliance on debt low and supports long-term value creation for shareholders. The Board has therefore not recommended any final dividend on the Equity Shares for the financial year ended March 31, 2026, and no interim dividend was declared during the year.

The Board has adopted a Dividend Distribution Policy in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is available on the Company's website at https://www.esds.co.in/assets/images/investor-relations/Policies-2025/Dividend-Distribution-Policy.pdf. The Board will continue to review the dividend payout in line with this policy, taking into account the Company's profitability, cash flows and capital requirements.

5. General Reserve:

The Company has not transferred any amount to the General Reserves for the Financial Year ended March 31, 2026. Further, the details of transfers, to other reserves, (including the ESOP Reserve), if any, are disclosed in the standalone financial statements forming part of this Annual Report.

6. Committees:

The Company has in place the following mandatory Committees in terms of the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015 read with rules framed thereunder viz.

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Corporate Social Responsibility Committee; and

(e) Risk Management Committee.

The Composition of all such Committees, number of meeting/(s) held during the year under review, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report.

All the recommendations made by the Committees were accepted by the Board. Consequent to the listing of the equity shares of the Company on September 04, 2026, the provisions of SEBI LODR have also become applicable.

Composition of Audit Committee (Section 177(8) of the Act): As on March 31, 2026, the Audit Committee comprised Mr. T.G. Dhandapani (Chairman), Ms. Pamela Kumar and Mr. Venkatesh Natarajan, all Independent Directors. There was no instance where the Board did not accept the recommendations of the Audit Committee.

7. Policies/Codes of the Company:

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

8. Subsidiaries:

The Company has Three (3) subsidiaries (1 Indian and 2 Foreign) as on March 31, 2026.

On May 26, 2025, the Company sold 200 equity shares of ₹10 each of SPOCHUB Solutions Private Limited to Mr. Piyush Prakashchandra Somani, Chairman and Managing Director. Consequently, SPOCHUB ceased to be a wholly-owned subsidiary and the shareholding of the Company in SPOCHUB stands reduced to 99%. No company has become or ceased to be a subsidiary, joint venture or associate of the Company during the year.

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

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

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

Performance of Subsidiaries

SPOCHUB Solutions Private Limited (India, 99%): SPOCHUB is the special purpose vehicle for the Group's large-scale AI infrastructure/GPU-as-a-Service programmes. During the year, it reported a revenue from operation of ₹ 849.49 million and profit after tax of ₹539.64 million (previous year loss of ₹0.17 million).

ESDS Cloud FZ LLC (UAE, 100%): Total income of ₹ 120.17 million and profit after tax of ₹ 54.62 million.

ESDS Global Software Solution Inc. (USA, 100%): Total income is Nil and profit after tax is Nil

Material Subsidiary: In terms of Regulation 16(1)(c) of SEBI LODR, SPOCHUB Solutions Private Limited qualifies as a material subsidiary of the Company based on the audited consolidated financial statements for FY25-26. The Policy for determining material subsidiaries is available at https://www.esds.co.in/investor.

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

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

The Remuneration Policy has been also hosted on the website of the Company at https://www.esds.co.in/investor.

10. Directors and Key Managerial Personnel:

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

As on March 31, 2026, the Board of Directors of your Company comprised of total Six (6) Directors i.e. Three (3) Executive Directors and Three (3) Non-Executive Independent Directors including Two (2) women directors, one Executive Director and one Independent Director. The details of Board and Committees composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

The following changes took place in the Board of Directors during the financial year and up to the date of this Report:

a) Mr. Jitendra Pathak (DIN: 09000712), was appointed as an Additional Director (Executive) w.e.f. February 04, 2025, and as a Whole-time Director by the shareholders through Postal Ballot concluded on August 8, 2025. Mr. Jitendra Pathak resigned as a Director w.e.f. July 13, 2026.

b) Mr. Sameer Suresh Redij (DIN: 11790311) was appointed as Additional Director (Executive) w.e.f. July 13, 2026, and as a Whole-time Director by the shareholders through Postal Ballot concluded on October 12, 2026.

c) The first term of Mr. T.G. Dhandapani and Ms. Pamela Kumar as Independent Directors expired on July 27, 2026. On the recommendation of the Nomination and Remuneration Committee and based on their performance evaluation, the Board at its meeting held on May 13, 2026 approved their re-appointment for a second (2nd) term of five consecutive years w.e.f. July 28, 2026, which was approved by the Members through Postal Ballot concluded on June 18, 2026.

d) The first term of Ms. Komal Piyush Somani, Whole-time Director also exprired on July 27, 2026. On the recommendation Nomination and Remuneration Committee and based on her performance evaluation, the Board at its meeting held on May 13, 2026 approved her re-appointment for the next term of five consecutive years w.e.f. July 28, 2026, which was approved by the Members through Postal Ballot concluded on June 18, 2026.

In accordance with the Articles of Association of the Company and the provisions of Section 152 of the Companies Act, Ms. Komal Piyush Somani (DIN: 08477154) will retire by rotation at the ensuing 21st Annual General Meeting ("AGM") and being eligible, has offered herself for re-appointment. The necessary resolution for re-appointment has been included in the Notice of the forthcoming AGM for the approval of the members.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence; and all the Independent Directors have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA), pursuant to the Ministry of Corporate Affairs notification dated December 1, 2019 viz. the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019. There has been no change in the circumstances affecting their status as independent directors of the Company. Pursuant to Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014, in the opinion of the Board, the Independent Directors are competent, experienced, proficient and possess necessary expertise and integrity to discharge their duties and functions as Independent Directors.

Based on the declarations received and after undertaking due assessment of the veracity of such declarations, the Board is satisfied that all Independent Directors possess the requisite integrity, expertise, experience and proficiency and fulfil the conditions of independence specified under the Act and the SEBI Listing Regulations.

None of the Company's directors are disqualified from being appointed as a director as specified in Section 164 of the Act. For details about the directors, please refer to the Corporate Governance Report. A certificate from M/s. Milind Gujar & Associates, Practising Company Secretaries, confirming that none of the Directors on the Board of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, MCA or any other statutory/regulatory authority, is annexed as **Annexure C** to the Report on Corporate Governance.

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

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2026 are Mr. Piyush Prakashchandra Somani – Managing Director; Ms. Komal Piyush Somani – Whole-time Director; Mr. Jitendra Pathak – Whole-time Director; Mr. Nadukuru Sita Ramaiah – Chief Financial Officer and Mr. Prasad Deokar – Company Secretary & Compliance Officer.

Post March 31, 2026 till the date of this report, there were no changes in the Key Managerial Personnel except disclosed below;
Mr. Jitendra Pathak, Whole-time Director resigned from Board w.e.f. July 13, 2026.

Senior Management: Pursuant to Regulation 16(1)(d) of SEBI LODR, the Board has designated the Chief Human Resource Officer, the Chief Marketing Officer, Chief Technology Officer and Chief Information Officer, Chief Artificial Intelligence Officer, Chief Operations Officer as Senior Management Personnel. Details are provided in the Corporate Governance Report.

11. Number of Meetings of The Board

The Board met Six (6) times during the year under review. The intervening gap between two consecutive meetings did not exceed 120 days. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

12. Annual Evaluation of Board, its Committees and Directors:

The Company was unlisted during FY25-26. The annual performance evaluation for the year was therefore carried out under Section 134(3)(p), Section 178(2) and Schedule IV of the Companies Act, 2013. In preparation for listing, the Company also aligned the process with Regulations 17(10), 19(4) and 25(4) of SEBI LODR and the SEBI Guidance Note on Board Evaluation dated January 5, 2017. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 4th September, 2026.

The evaluation criteria were set by the Nomination and Remuneration Committee. At its meeting held on May 13, 2026, the Board evaluated its own performance, the performance of its Committees and that of individual Directors, including the Chairman & Independent Directors. Structured questionnaires were used, covering:

- composition and diversity of skills;
- effectiveness of Board and Committee processes;
- quality and timeliness of information;
- each member's contribution and independence of judgement;
- governance in the context of the Company's transition to a listed entity.

Independent Directors were evaluated by the entire Board, excluding the Director being evaluated. That evaluation covered their performance and their fulfilment of the independence criteria and their independence from management.

At their separate meeting held on March 06, 2026, the Independent Directors reviewed the performance of the Non-Independent Directors, the Board as a whole and the Chairman. They also assessed the quality, quantity and timeliness of the flow of information between management and the Board. The Board took the outcome of the evaluation into account when it approved the re-appointment of Mr. T. G. Dhandapani and Ms. Pamela Kumar as Independent Directors for a second term. The Directors expressed satisfaction with the evaluation process and its outcome.

Following the listing, the evaluation framework will apply in full under SEBI LODR from FY26-27. The Nomination and Remuneration Committee will review the framework periodically.

13. Policy on Board Diversity:

The Company has adopted a Policy on Board Diversity which recognises the importance of a diverse Board in terms of skills, experience, gender and background. The Board presently has two women Directors. The Policy is available at https://www.esds.co.in/investor.

14. Familiarisation Programme for Independent Directors:

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

The Board of Directors in its meeting held on August 7, 2021 had approved the policy for Familiarisation programmes for independent directors.

15. Auditors and Auditors' Reports:

a) Statutory Auditors

M/s. M S K C & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 001595S/S000168), Pune, a member firm of

BDO, were appointed as the Statutory Auditors of the Company at the Twentieth (20th) Annual General Meeting held on 30th September, 2025 for a first term of five (5) consecutive years, i.e. till the conclusion of the Twenty-fifth (25th) Annual General Meeting to be held for FY29-30.

The Statutory Auditors have confirmed that they are not disqualified from continuing as auditors under Section 141 of the Act and that they hold a valid certificate issued by the Peer Review Board of the ICAI.

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

The Auditors' Report on Standalone Financial Statements ("SFS") and Consolidated Financial Statements ("CFS") for the financial year 2025-26 does not contain any qualification, adverse remark or disclaimer.

b) Cost Auditors

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

c) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Milind Gujar & Associates, Practising Company Secretaries, Nashik, to conduct the Secretarial Audit of your Company for FY25-26. The Secretarial Audit Report is annexed herewith as **Annexure – III** to the Board's Report.

There are no observations/remarks or qualifications in the Secretarial Audit Report for FY25-26.

Consequent to listing, in terms of Regulation 24A of SEBI LODR read with Section 204 of the Act, the Board at its meeting held on November 02, 2026 has, on the recommendation of the Audit Committee and subject to approval of the Members at the ensuing AGM, recommended the appointment of M/s. Sharma and Trivedi LLP, Company Secretaries, LLPIN: AAW-6850, Peer Reviewed Company Secretaries as Secretarial Auditors for a term of five consecutive years from commencing from FY26-27 to FY30-31.

d) Internal Auditors

Pursuant to the provisions of Section 138 of the Act and the rules made thereunder M/s. Kirtane & Pandit LLP, Chartered Accountants has been re-appointed as Internal Auditors of the Company for FY26-27. The Internal Auditors conducted periodic internal audits during the year under review and submitted their reports to the Audit Committee. The Audit Committee regularly reviewed the internal audit findings, significant observations, management responses and the status of implementation of corrective actions, wherever required. The Committee also monitored the adequacy and effectiveness of the Company's internal financial controls, internal control systems and risk management framework.

16. Deposits from public:

During the financial year 2025-26, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

17. Particulars of Loans, Investments, Guarantees:

The Company has complied with the provisions of Section 185 & 186 of the Act with respect to granting loans, making investments and providing guarantees & securities to its subsidiaries. Details of the same are referred in the standalone financial statements as on March 31, 2026.

18. Related Party Transactions:

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

The policy on Related Party Transactions is available in Company's website, https://www.esds.co.in/assets/images/investor-relations/Policies-2025/Policy-on-RPTs.pdf.

During the financial year 2025-26, your Company entered into transactions with related parties as defined under Section 2(76) of the Act read with the Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Act, Rules issued thereunder and Regulation 23 of the LODR 2015. Further, other suitable disclosures as required under IND AS - 24 have been made in the Notes to the financial statements.

During the financial year 2025-26, there were no materially significant Related Party Transactions entered by the Company with Promoters, Directors, Key Managerial Personnel, which may have a potential conflict with the interest of the Company.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act and Regulation 23 of the Listing Regulations, along with the justification for entering into such a contract or arrangement in Form AOC-2, does not form part of the Board's Report.

During the year, the Company sold 200 equity shares of SPOCHUB Solutions Private Limited to Mr. Piyush Prakashchandra Somani, Chairman & Managing Director (a related party), at ₹ 10 per share, being fair value, with the prior approval of the Audit Committee and the Board.

19. Annual Return:

Pursuant to the requirement under Section 92(3) of the Companies Act, 2013, copy of the annual return can be accessed on our website at https://www.esds.co.in/assets/images/investor-relations/Annual-Return/Annual-Return-FY26.pdf

20. Internal Financial Control and Its Adequacy:

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

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

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

In terms of Regulation 17(8) read with Part B of Schedule II of SEBI LODR, the Managing Director and the Chief Financial Officer have certified to the Board, inter alia, on the review of the financial statements and cash flow statement for FY25-26 and on their responsibility for establishing and maintaining internal controls for financial reporting and evaluating their effectiveness. The said certificate is annexed as **Annexure B** to the Report on Corporate Governance.

21. Whistle Blower Policy:

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

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

The policy is available on the website of the Company and can be viewed on: Whistle-Blower-Policy-26.pdf

22. Risk Management Policy:

Your Company recognises that risk is an integral part of business and is committed to manage the risk in a proactive and efficient manner. The Company has in

place a proper internal Risk Management system to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis by following the principles of Risk Matrix. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company on regular basis.

There are no risks which in the opinion of the Board of Directors affect the Company's Operations on a going concern basis. The Policy is available at https://www.esds.co.in/assets/images/investor-relations/Policies-2025/Risk-Management-Policy.pdf

23. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

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

The following is a summary of sexual harassment complaints received and disposed off during the year 2025-26:

No. of complaints received during the year 2025-26	: NIL
No. of complaints disposed off during the year 2025-26	: NIL
No. of complaints pending for more than ninety days	: NIL
No. of complaints pending at the end of the year 2025-26	: NIL

The Policy extends protection to all eligible women employees and covers regular, temporary, contractual, trainee, apprentice, probationary, consultant, and third-party personnel, including employees of vendors, service providers, and visitors who may be present at the workplace. The Company also recognises the importance of ensuring a respectful and safe working environment in all forms of work arrangements, including remote and hybrid work settings, wherever applicable.

To strengthen awareness and promote a culture of prevention, the Company conducts periodic sensitisation, awareness, and training programmes for employees and members of the ICC. Such programmes are aimed at educating stakeholders on the provisions of the POSH Act, their rights and responsibilities, acceptable workplace behaviour, and the mechanisms available for reporting and redressal of grievances.

The Company remains committed to ensuring strict compliance with the POSH Act and continuously reviews its policies and practices to reinforce a workplace culture founded on dignity, respect, inclusivity, and equal opportunity for all.

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

24. Compliance with the Maternity Benefit Act, 1961:

The Company has complied with the provisions relating to the Maternity Benefit Act, 1961, including grant of maternity leave and other benefits to eligible women employees.

25. Gender-wise Composition of Employees:

As on March 31, 2026, the Company had 995 employees comprising 783 male, 212 female and 0 transgender employees.

26. Corporate Governance:

The report on Corporate Governance forms an integral part of this Report. Though the Company was unlisted during FY25-26, it has followed the practices prescribed under SEBI (LODR) Regulations, 2015. The equity shares of the Company were listed on BSE and NSE on September 04, 2026.

The following certificates/declaration are annexed to the Report on Corporate Governance and form part of this Report:

(a) Annexure A – Declaration by the Chairman and Managing Director regarding compliance with the Code of Conduct by the Board members and Senior Management Personnel [Regulation 34(3) read with Part D of Schedule V];

(b) Annexure B – Certificate by the Managing Director and Chief Financial Officer [Regulation 17(8) read with Part B of Schedule II];

(c) Annexure C – Certificate of Non-Disqualification of Directors from M/s. Milind Gujar & Associates, Practising Company Secretaries [Regulation 34(3) read with Para C(10)(i) of Schedule V]; and

(d) Annexure D – Certificate from M/s. Milind Gujar & Associates, Company Secretaries, regarding compliance with the conditions of Corporate Governance [Regulation 34(3) read with Part E of Schedule V].

27. Amendment in MoA and AoA

There was no amendment in the MoA/AoA during the year.

28. Corporate Social Responsibility:

As per the requirements of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility ("CSR") your Company has duly constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee are provided in Corporate Governance Report. The Company has framed Corporate Social Responsibility policy, amended from time to time, which is available at https://www.esds.co.in/assets/images/investor-relations/Policies-2025/CSR-Policy.pdf.

The Company was required to spend ₹ 6.49 million on CSR activities for FY25-26. The Company spent ₹ 6.59 million, i.e. over and above the required amount.

The CSR activities for the financial year ended March 31, 2026 along with the composition of CSR Committee is set out in Annexure II to the Board's Report.

ESDS's Corporate Social Responsibility (CSR):

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

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

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

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

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

Conservation of Energy:

Sr. No.	Particulars	Remarks
(i)	Steps that impact energy conservation	At ESDS, energy efficiency is a design principle rather than an afterthought. As an operator of mission-critical data centres, the Company recognizes that every unit of energy saved lowers operating cost and its environmental footprint. This matters more as AI and high-density computing increase power demand. The Company runs a structured Energy Management System aligned to **ISO 50001:2018**. Under it, **Power Usage Effectiveness (PUE)**, the global benchmark for data-centre efficiency, is tracked every month at the data centres in **Nashik, Airoli, Bengaluru and Mohali**. The internal target is a PUE below **1.5**. Nashik data centre achieved an average PUE of **1.63** in FY25-26. The Nashik facility shows this commitment most clearly. It was designed to be energy-efficient from the start: 1. **Thermal-efficient construction:** the building uses Cellular Lightweight Concrete (CLC) blocks, which insulate better than conventional bricks and so reduce heat gain. 2. **Insulated data-centre floor:** the data hall sits between two other floors, which shields it from heat above and below. It is also enclosed on all four sides by a cavity wall with a 4-ft air gap between the inner and outer walls, acting as a natural thermal buffer. 3. **Passive solar shading:** sun louvres across the façade limit direct sunlight and reduce the cooling load. 4. **Dual air-conditioning for workspaces:** conventional central air-conditioning runs for only about 3–4 months a year. For the rest of the year, a fresh-air intake system cools the workspace using about **one-sixth of the power** of conventional air-conditioning. These measures show the Company's approach of building efficiency into the infrastructure itself, so that savings recur year after year without depending on day-to-day intervention.

Sr. No.	Particulars	Remarks
(ii)	Steps taken by the Company for utilising alternate source of energy	The Company operates a **154 kWp rooftop solar power plant** at its Nashik data centre. During FY25-26, the plant generated **213.2 MWh** of clean electricity, meeting **7.2%** of the facility's total electricity requirement. This avoided about **155 tonnes of CO_2 emissions**. Building on this, the Company is evaluating long-term renewable energy supply for its **Nashik, Airoli, Bengaluru & Mohali** data centres through captive, group captive and Open Access arrangements. The aim is to steadily raise the share of renewable energy in its total consumption and to support India's transition to a low-carbon digital economy.
(iii)	The capital investment on energy conservation equipment	The Company has made capital investments towards the installation of energy-efficient equipment such as solar panels. These investments aim to reduce energy consumption, lower operating costs, and contribute to sustainable operations. The investment is expected to result in 20% reduction in energy costs with a payback period of 5 years, besides contributing towards the Company's ESG and sustainability commitments.

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

Efforts Made towards Research, Development and Innovation

ESDS Software Solution Limited is an **innovation-driven AI Ecosystem and End-to-End IT Service Provider**, with an in-house research and development team focused on building indigenous technologies that strengthen its cloud, data centre, AI infrastructure, managed services and cybersecurity portfolio.

Our innovation journey began in 2010 with the development of **eNlight Cloud and its double-patented auto-scaling technology**. The Cloud platform has since evolved into **SWARAJ Cloud - an AI Autonomous Architect Cloud Platform**. Over the years, our development efforts have expanded into sovereign cloud platforms, unified AI operations, application performance monitoring and observability, enterprise security, DevSecOps and digital governance solutions.

Our current in-house product portfolio and technology developments include the following:

(a) **SWARAJ Cloud — AI Autonomous Architect Cloud Platform:** A sovereign cloud platform combining cloud services, autonomous intelligence and AI-driven automation. Its capabilities include **Prompt-to-Production, enabling users to translate requirements into production-ready infrastructure** with a focus on data residency and scalable cloud architecture.

(b) **SWARAJ Bodhi — Unified AI Operations Platform:** A unified control plane for the AI lifecycle, bringing together **GPU orchestration, AI workload deployment, MLOps lifecycle management, real-time monitoring, governance and cost management**. The platform supports activities from experimentation and model development to deployment and production monitoring.

(c) **SWARAJ Garuda — Unified Application Performance and Observability Platform:** An **OpenTelemetry-native, Prometheus-compatible** platform providing visibility across applications, infrastructure, databases, logs and container environments. Its capabilities include **AI-driven root-cause analysis, anomaly detection, alert and incident management, dashboards, reporting and capacity planning**.

AI enabled Security Products

(d) **SWARAJ Jatayoo — Database Activity Monitoring Platform:** A database security platform combining **real-time query visibility, AI-driven behavioural intelligence, insider-threat detection and Database Security Posture Management (DSPM)**. It supports unified monitoring across database environments, with on-premises and air-gapped deployment capabilities.

(e) **SWARAJ Nandi — Enterprise-Grade Privileged Access Management Platform:** A platform for securing and governing privileged access across critical systems. Its capabilities include **credential vaulting, automated password rotation, policy-based access controls, service account management and SSH key management**, supporting stronger control over privileged credentials and access.

(f) **SWARAJ Hansa — AI-Powered Agentic SIEM Platform:** A managed **Security Information and Event Management** platform combining **AI-native threat intelligence, intelligent event correlation, agentic investigation and autonomous security operations**. Capabilities include no-code rule and parser creation, automated ticketing, reporting and on-premises security intelligence.

Managed Services - DevSecOps

(i) **SWARAJ Sethu — Unified DevSecOps Platform:** A connected platform bringing **development, security and operations together from code to production**. It integrates s**ource control, CI/CD, security, Infrastructure as Code, Kubernetes, configuration, observability and governance** within a unified software delivery lifecycle.

Technology Absorption and Adoption

Our approach combines in-house software engineering with the evaluation, integration and adoption of relevant technologies. Customer requirements and experience gained from operating cloud, data centre and managed service environments inform product development and enhancement.

Our focus includes AI-driven automation, open standards, cloud orchestration, observability, security intelligence and unified operational management. These capabilities support the continued development of an integrated technology ecosystem for enterprise, financial services and government workloads.

Benefits Derived

Our research, development and technology adoption efforts support:

- **Operational efficiency:** Automation and unified workflows help reduce manual intervention and simplify infrastructure and service management.
- **Improved visibility:** Integrated monitoring and observability help identify performance issues, investigate incidents and support capacity planning.
- **Stronger security and governance:** Privileged access controls, database monitoring, vulnerability assessment and security intelligence strengthen oversight of critical environments.
- **Better resource management:** Cloud orchestration, GPU monitoring and cost visibility support more effective utilisation of infrastructure.
- **Greater control over product evolution:** In-house development enables enhancements to be guided by customer requirements and operational experience.
- **A broader indigenous portfolio:** Proprietary platforms strengthen our ability to deliver integrated cloud, AI, security and managed services.

We remain committed to developing indigenous, cost-effective technology products and solutions that contribute to **Atmanirbhar Bharat**, strengthen digital sovereignty and support India's evolving AI and enterprise technology ecosystem.

Foreign exchange earnings and outgo:

Foreign exchange earnings (actual inflows) during the year: ₹ 15.93 million (previous year ₹ 0.84 million).

Foreign exchange outgo (actual outflows) during the year: ₹ 1.67 million (previous year ₹ 9.82 million).

30. Particulars of Employees:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in **Annexure IV** to this Report.

The statement containing particulars of employees as required under Rule 5(2) and 5(3) of the said Rules forms part of this Report/is available for inspection and any member interested in obtaining a copy may write to the Company Secretary & Compliance Officer at secretarial@esds.co.in. None of the Managing Director or Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries.

Employee Stock Option Plans

ESDS ESOP 2021:

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

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

The ESOP 2021 shall be administered by the ESDS Employee Benefit Trust and shall be supervised by the Nomination and Remuneration Committee. As on March 31, 2026, the ESDS Employee Benefit Trust holds 13,85,894 Equity Shares of ₹ 1 each in connection with the ESOP 2021.

The objective of the ESOP 2021 is to (a) enable our Company to attract and retain talented human resources by offering them the opportunity to acquire

a continuing equity interest in our Company which will reflect their efforts in building the growth and the profitability of our Company; (b) provide employees an opportunity for investment in our Company's equity in recognition of their efforts to grow and build our Company; and (c) reward our employees on the basis of certain performance criteria.

Details of grants, exercise and lapsed options pursuant to the ESOP 2021 during the financial year 2025-26 are as follows:

The details of ESOP 2021 as on March 31, 2026 are as follows:

Sr. No.	Particulars	Total
A	Total number of options which may be granted under the ESOP 2021	25,00,000
B	Options granted	21,23,500
C	Options vested (in force)	1,25,800
D	Options exercised during the year	8,50,340
E	The total number of shares arising as a result of exercise of option during the year	8,50,340 (transferred by ESDS Employee Benefit Trust)
F	Options forfeited/ lapsed/ cancelled	9,23,000 (cumulative)
G	The exercise price (as on the date of grant of options)	₹ 65/- per option
H	Variation of terms of options	Nil
I	Money realised by exercise of options during the year	₹ 5,52,72,100
J	Total number of options in force as on March 31, 2026	2,04,300

ESOP 2024:

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

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

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

The details of ESOP 2024 as on March 31, 2026 are as follows:

Sr. No.	Particulars	Total
A	Total number of options which may be granted under the ESOP 2024	30,00,000
B	Options granted	21,00,000 (cumulative)
C	Options vested (in force)	1,83,300
D	Options exercised during the year	Nil
E	The total number of shares arising as a result of exercise of option during the year	Nil
F	Options forfeited/ lapsed/ cancelled	2,45,000 (cumulative)
G	The exercise price (as on the date of grant of options)	₹225/- per option
H	Variation of terms of options	Nil
I	Money realised by exercise of options during the year	Nil
J	Total number of options in force as on March 31, 2026	18,55,000 (including 68,000 options of employees transferred to a subsidiary)

The ESOP 2021 and ESOP 2024 are in compliance with the SEBI (SBEB & SE) Regulations, 2021.

Pursuant to Regulation 12(1) of the said Regulations, the schemes, being pre-IPO schemes, shall be ratified by the Members on 26th November, 2026 before making any fresh grant post listing.

The certificate from the Secretarial Auditor under Regulation 13 and the disclosures under Regulation 14 SEBI (SBEB & SE) Regulations, 2021 are available at https://www.esds.co.in/assets/images/investor-relations/ESOP-Schemes/Certificate-on-ESOPs-Reg-13.pdf and https://www.esds.co.in/assets/images/investor-relations/ESOP-Schemes/Disclosure-Reg.14.pdf.

Disclosure under Section 67(3) of the Act read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014: The voting rights in respect of 13,85,894 equity shares held by the ESDS Employee Benefit Trust were not exercised by the Trustees during the year.

31. Insurance:

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

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

The Board of Directors has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company, which is available on the website of the Company at www.esds.co.in. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2026. A declaration to this effect signed by the Chairman and Managing Director is annexed as **Annexure A** to the Report on Corporate Governance.

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

33. Statement on Material Changes & Commitments:

Save and except the following, there are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2025-26 and the date of this Report:

(a) Listing of equity shares of the Company on BSE and NSE on September 04, 2026 pursuant to the IPO;

(b) Allotment of 1,67,83,216 equity shares under the fresh issue.

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

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

35. Compliance With Secretarial Standards:

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

36. Credit Rating:

During the year under review, India Rating & Research and Crisil Rating has issued/ assigned/ reaffirmed the credit rating as per below table;

CRISIL Ratings	
Fund Based Facility	CRISIL BBB+/Positive
Non-Fund Based Facility	CRISIL A2
India Ratings & Research	
Long-term/Short-term	INDBBB+/Positive/IND A2+

37. Management Discussion and Analysis Report:

In terms of Regulation 34(2)(e) of SEBI LODR, the Management Discussion and Analysis Report for the year under review is presented as a separate section of this Annual Report, immediately following this Report, and forms part of this Report.

38. Business Responsibility and Sustainability Report (BRSR):

The requirement of BRSR under Regulation 34(2)(f) of SEBI LODR is not applicable to the Company for FY25-26, as the Company is not among the top 1,000 listed entities based on market capitalisation.

39. Investor Education and Protection Fund (IEPF):

The Company has not declared any dividend in the past and accordingly, no amount or shares were required to be transferred to the Investor Education and Protection Fund.

40. Directors' Responsibility Statement

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

(a) In the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

(b) The Directors have approved the accounting policies and the same have been applied consistently and have made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts have been prepared on a 'going concern' basis;

(e) Proper internal financial controls are followed by the Company and that such financial controls are adequate and are operating effectively; and

(f) Proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

41. General Disclosures:

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions/events on these items during the year under review:

(a) change in the nature of business of the Company;

(b) issue of equity shares with differential rights as to dividend, voting or otherwise;

(c) issue of sweat equity shares;

(d) any application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016;

(e) one-time settlement with any bank or financial institution and the difference in valuation thereof;

(f) revision of financial statements or Board's Report under Section 131 of the Act; and

(g) fraud reported by the Auditors including Secretarial under Section 143(12) of the Act, to the Audit Committee or Board and not reported to the Central Government.

42. Cautionary Statement:

Statements in this Report, including the Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied, owing to factors beyond the control of the Company.

43. Acknowledgements:

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

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

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

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

Sd/-
(Piyush Prakashchandra Somani)
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: November 02, 2026

Report on Corporate Governance

A. Company's Philosophy on Corporate Governance

The equity shares of the Company have been listed on BSE Limited and National Stock Exchange of India Limited on 04th September, 2026. ESDS Software Solution Limited ("the Company/ESDS") is committed to maintaining high standards of Corporate Governance, protecting Customers', Shareholders', and other Stakeholders' interests for long-term as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. In line with this philosophy, the Company endeavours to maintain transparency at all levels through adoption of best Corporate Governance Practices. Your Company is committed to follow the best Corporate Governance practices not only to ensure success in business, but also for maximising value for all the stakeholders, be it Members, investors, clients or employees. The trust of the stakeholders is built by maintaining the highest ethical standards, transparency and accountability. The Directors and Management of your Company continue to be committed to adhering to the best governance standards and to comply with the regulatory requirements in the true spirit and beyond the letter of law.

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

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

As on the date of this Annual Report, we have six Directors on our Board, of whom three are Executive Directors and three are Independent Directors including one independent woman Director.

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

B. Board of Directors

(i) Board Membership Criteria

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

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

(ii) Composition of the Board

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act, 2013 ("the Act"), with an appropriate combination of Executive, Non-Executive and Independent Directors. The number of Independent Directors comprises equal to 50% of the total strength of the Board including an Independent Woman Director. The Board of Directors is chaired by Executive Promoter Chairman-cum-Managing Director None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgement, would affect their independence. It is hereby confirmed that in the opinion of the Board of Directors, the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and are independent of the management. Further, the Independent Directors have also registered their names in the Data bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended.

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

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

Report on Corporate Governance

None of the Directors is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/she is a director or act as an independent director in more than 7 listed companies or 3 listed companies in case he/she serves as Whole Time Director in any listed company (as specified in applicable Regulation 25 of the Listing Regulations), across all the Companies in which he/she is a Director, including separately the names of the listed entities where the person is a director and the category of directorship.. Relevant details of the Board as on March 31, 2026 are given below.

Name of Director & Director Identification number (DIN)	Category of Director	Relationship with other Directors	#No. of Directorships in other companies	No. of Directorship in listed entities including this listed entity	No. of Independent Directorship in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity
Piyush Prakashchandra Somani (DIN: 02357582)	Promoter, Executive and Non-independent	Spouse of Komal Somani - Executive Director	3	1	0	1	0
Komal Piyush Somani (DIN: 08477154)	Executive and Non-independent	Spouse of Piyush Somani - Executive Director	2	1	0	0	0
Pamela Kumar (DIN: 07616165)	Non-Executive and Independent	None	0	1	1	2	0
T.G. Dhandapani (DIN: 09239677)	Non-Executive and Independent	None	0	1	1	1	1
Venkatesh Natarajan (DIN: 07471917)	Non-Executive and Independent	None	0	1	1	2	1
Jitendra Pathak** (DIN: 09000712)	Executive and Non-independent	None	0	1	0	0	0

** Mr. Jitendra Pathak, Whole-time Director, resigned from the Board on July 13, 2026.

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

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

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

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

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

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

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

Sr. No.	Skill/expertise/competence	Name of the Director possessing such skill/expertise
1	**Organisational Purpose** Ability to recognise/identify the socio-economic, political, regulatory and competitive environment, both domestic and global, in which the Company is operating and insight to identify opportunities and threats for the Company's businesses. Ability to contribute towards creating an inspiring Vision for the Company.	Piyush Prakashchandra Somani
2	**Strategic Insight** Ability to evaluate competitive corporate and business strategies and based thereon, contribute towards progressive refinement of the Company's strategies for fulfilment of its goals. Ability to comprehend strategy of organisation of the Company, in the context of its sources of competitive advantage and assess its strengths and weaknesses.	Piyush Prakashchandra Somani; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
3	**Organisational Capacity Building** Expertise to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building. Ability to understand the talent market and the Company's talent quotient so as to help finetune strategies to attract, retain and nurture competitively superior talent. Ability to appreciate and critique the need for in-depth specialisation across business-critical areas such as manufacturing, marketing, legal, information technology, public advocacy etc., as well as the breadth of general management capabilities.	Komal Piyush Somani; T.G. Dhandapani; Jitendra Pathak; Pamela Kumar; Venkatesh Natarajan
4	**Stakeholder Value Creation** Ability to understand processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.	T.G. Dhandapani; Pamela Kumar
5	**Commercial Acumen** Commercial acumen to critique the Company's financial performance and evaluate the Company's strategies and action plans in the context of their financial outcomes.	Piyush Prakashchandra Somani; Jitendra Pathak; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
6	**Risk Management and Compliance** Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.	Piyush Prakashchandra Somani; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
7	**Policy Evaluation** Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically. Ability to evaluate policies, systems and processes in the context of the Company's businesses, and review the same periodically.	Piyush Prakashchandra Somani; Komal Piyush Somani; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
8	**Culture Building** Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organisational conduct.	Piyush Prakashchandra Somani; Komal Piyush Somani; Jitendra Pathak; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan
9	**Board Structure** Ability to comprehend the statutory roles and responsibilities of a Director and of the Board as a whole. Ability to encourage and sustain a cohesive working environment and to listen to multiple views and thought processes and synergies a range of ideas for organisational benefit.	Piyush Prakashchandra Somani; Komal Piyush Somani; Jitendra Pathak; T.G. Dhandapani; Pamela Kumar; Venkatesh Natarajan

(iii) Board Meetings/General Meeting

During the financial year 2025-26, the Board of Directors of your Company met Six (6) times, on the dates mentioned in below table. None of the meetings of Board of Directors was held with a gap of more than 120 days.

Sr. No.	Date of Board Meetings
1	22.05.2025
2	28.05.2025
3	12.08.2025
4	18.11.2025
5	18.02.2026
6	19.02.2026

Report on Corporate Governance

During the financial year 2025-26, One (1) Extra-ordinary General Meeting(s) was held on December 24, 2025 and One (1) Postal Ballot was concluded on August 08, 2025.

During the year under review, the 20th Annual General Meeting for the Financial Year ended on March 31, 2025 was held on September 30, 2025.

Details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2025-26 are presented in the following table:

Name of the Director	No. of Meetings held	No. of Board Meetings Attended	Whether AGM 2025 Attended (Yes/No/N.A.)
Piyush Prakashchandra Somani	6	6	Yes
Komal Piyush Somani	6	6	Yes
Jitendra Pathak[1]	6	6	Yes
Sameer Redij[2]	0	0	N.A.
T.G. Dhandapani	6	6	No
Venkatesh Natarajan	6	6	No
Pamela Kumar	6	5	No

[1] Mr. Jitendra Pathak resigned from Board effective from July 13, 2026;

[2] Mr. Sameer Redij was appointed as Additional Director on Board effective from July 13, 2026.

(iv) Membership Term

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

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

The Independent Directors' appointment/ re-appointment will be for a maximum period of term of Five (5) consecutive years as per the provisions of the Act. Mr. T. G. Dhandapani and Ms. Pamela Kumar has been appointed for the first term of consecutive five (5) years with effect from July 28, 2021 and Mr. Venkatesh Natarajan has been appointed for the first term of consecutive five (5) years from July 1, 2023.

The Members have approved the re-appointment of Mr. T. G. Dhandapani and Ms. Pamela Kumar for a second term of five (5) consecutive years w.e.f. July 28, 2026

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

(v) Code of Conduct

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

All the Board Members (including Independent Directors) and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended March 31, 2026. A declaration to this effect signed by the Chairman and Managing Director is annexed to this Report as **Annexure A**.

C. Board Committees

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

i) Audit Committee;

ii) Nomination and Remuneration Committee;

iii) Stakeholders' Relationship Committee;

iv) Corporate Social Responsibility Committee; and

v) Risk Management Committee.

The Chairman of the Board, in consultation with the Company Secretary and the respective Chairman of these Committees, determines the frequency of the meetings of these Committees. The recommendations of the Committees are submitted to the Board for approval. The Board of Directors has also adopted the various policies in line with the SEBI LODR 2015 and the Act for the effective and defined functioning of the respective Committees of the Board. The provisions relating to the Stakeholders' Relationship Committee and Risk Management Committee became applicable upon listing of the Company on September 04, 2026.

(i) Audit Committee

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

The composition of the committee as on March 31, 2026:

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

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

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

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

(a) To investigate any activity within its terms of reference;

(b) To seek information that it properly requires from any employee of the Company or any associate or subsidiary in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from such employees;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required;

(e) To approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company and to confirm that verified details for all the key performance indicators pertaining to the Company have been disclosed to the earlier investors at any point of time during the three years period prior to the date of filing of the draft red herring prospectus/ red herring prospectus are disclosed under 'Basis for Offer Price' section of the Offer Document; and

(f) Such powers as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable law.

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

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;

(b) Recommendation for appointment, re-appointment, removal and replacement, remuneration and terms of appointment of auditors of the Company and the fixation of audit fee and approval for payment for any other services;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgement by the management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) Qualifications and modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Monitoring the end use of funds raised through public offers and reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions and the definition of material modifications of related party transactions;

(i) Approval of any subsequent modifications of transactions of the Company with related parties and omnibus approval (in the manner specified under the SEBI Listing Regulations and Companies Act) for related party transactions proposed to be entered into by the Company. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

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

(j) Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ₹10,000 million or 10% of the annual consolidated turnover as per the last audited financial statements of the Company, whichever is lower, subject to such other conditions prescribed under the SEBI Listing Regulations;

(k) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(l) Scrutiny of inter-corporate loans and investments;

(m) Valuation of undertakings or assets of the Company, wherever it is necessary;

(n) Evaluation of internal financial controls and risk management systems;

(o) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(p) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(q) Discussion with internal auditors of any significant findings and follow up there on;

(r) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit, observation of auditors, review of financial statements of the Company as well as post-audit discussion to ascertain any area of concern;

(t) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(w) Ensuring that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company;

(x) To formulate, review and make recommendations to the Board to amend the Audit Committee's terms of reference from time to time;

(y) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances;

(z) Reviewing the utilisation of loans and/or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;

(aa) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(ab) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and to carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other committees of the Directors of the Company;

(ac) Carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and

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

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

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

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

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

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

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

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

(g) Statement of deviations;

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

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

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

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

Generally, all items under Regulation 18(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are covered in the terms of reference and Role of the Audit Committee. The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

During the financial year 2025-26, the members of the Audit Committee met Six (6) times on the following dates.

Sr. No.	Date of Meetings
1	22.05.2025
2	28.05.2025
3	12.08.2025
4	18.11.2025
5	18.02.2026
6	19.02.2026

The following table presents the details of attendance at the Audit Committee meetings held during the financial year 2025-26.

Name of the Member	No. of Meetings held	No. of Meetings Attended
Mr. T.G. Dhandapani	6	6
Ms. Pamela Kumar	6	5
Mr. Venkatesh Natarajan	6	6

(ii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors of your Company consists of the following Members as on March 31, 2026:

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

There was no change in the composition of the Committee during FY25-26.

The Company Secretary acts as the Secretary of the Committee.

During the financial year 2025-26, One (1) meetings of the Committee were held on below date.

Sr. No.	Date of Meetings
1	11.08.2025

The details of attendance at the Nomination and Remuneration Committee meetings held during the financial year 2025-26.

Name of the Member	No. of meetings held	No. of Meetings Attended
Dhandapani T. G.	1	1
Pamela Kumar	1	1
Venkatesh Natarajan	1	1

The terms of reference of the Nomination and Remuneration Committee were approved by Board of Directors on July 28, 2021 and further amended on March 21, 2025 in view of amendments in SEBI LODR 2015. The terms of reference of the Nomination and Remuneration Committee are available on the website of the Company www.esds.co.in

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

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

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

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

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

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

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

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

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

(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

(e) Analysing, monitoring and reviewing various human resource and compensation matters including the compensation strategy;

(f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(h) Recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;

(i) Recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

(j) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

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

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

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

(i) Determining the eligibility of employees to participate under the ESOP Scheme;

(ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) Date of grant;

(iv) Determining the exercise price of the option under the ESOP Scheme;

(v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(x) The grant, vest and exercise of option in case of employees who are on long leave;

(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;

(xii) Formulate the procedure for funding the exercise of options;

(xiii) The procedure for cashless exercise of options;

(xiv) Forfeiture/ cancellation of options granted;

(xv) Formulate the procedure for buy-back of specified securities issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

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

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

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

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

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

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

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

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

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

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

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

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

Framework for Performance Evaluation of Independent Directors and the Board:

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

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

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

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

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

Remuneration Policy:

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

This policy ensures that:

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

Remuneration to Non-Executive Directors for the financial Year 2025-26

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

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

Details of Remuneration paid/payable to Non-Executive Directors during the financial year 2025-26 are as follows.

Name of the Non-Executive – Independent Director	Sitting Fees (Amount in ₹)*
Mr. T. G. Dhandapani	9,30,000
Ms. Pamela Kumar	8,90,000
Mr. Venkatesh Natarajan	9,30,000

* Subject to TDS

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

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

Remuneration paid to Executive Directors:

The remuneration of Executive Director/s is decided by the Board of Directors as per the Company's remuneration policy laid down by the Nomination and Remuneration Committee and within the overall ceiling approved by shareholders. This is to mention that the Shareholders had approved revised remuneration

payable to Executive Directors viz. Mr. Piyush Prakashchandra Somani and Ms. Komal Somani at the Annual General Meeting held on 30th September, 2024 and of Mr. Jitendra Pathak through Postal Ballot concluded on August 8, 2025.

(₹ in million)

Name of Executive Director	Salary & Perks	Total
Mr. Piyush Prakashchandra Somani	14.67	14.67
Ms. Komal Piyush Somani	7.77	7.77
Mr. Jitendra Pathak	14.76	14.76

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

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

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

(iii) Stakeholders' Relationship Committee

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

The composition of the Committee as on March 31, 2026 is as follows.

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

The Company Secretary acts as the Secretary of the Committee.

During the year under review there was no meeting of the Stakeholders' Relationship Committee held, since the Company was unlisted. Post listing, the Committee will meet as and when required and in accordance with statutory provisions.

Name and designation of Compliance Officer: Mr. Prasad Deokar, Company Secretary & Compliance Officer.

Details of investor complaints from the date of listing till the date of this Notice:

Complaints received – 11; Complaint Resolved – 10; Complaint pending – 1.

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

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

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

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

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

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

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

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

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

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

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

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

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

(iv) Risk Management Committee

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

The Risk Management Committee has been formed on July 28, 2021 and re-constituted on December 24, 2024. The composition of the Committee as on March 31, 2026 is as follows.

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

There was no change in the composition of the Committee during FY25-26.

The Company Secretary acts as the Secretary of the Committee.

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

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

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

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

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

(ii) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

(iii) To consider the effectiveness of decision-making process in crisis and emergency situations;

(iv) To balance risks and opportunities;

(v) To generally, assist the Board in the execution of its responsibility for the governance of risk;

(vi) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(vii) To review and recommend potential risk involved in any new business plans and processes;

(viii) To review the Company's risk-reward performance to align with the Company's overall policy objectives;

(ix) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(x) To review the status of the compliance, regulatory reviews and business practice reviews;

(xi) To decide on risk tolerance and appetite levels, recognising contingent risks, inherent and residual risks including for cyber security;

(xii) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

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

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

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

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

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

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

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

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

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

During the year under review, no meeting of the Risk Management Committee was held since the Company was not listed on the Stock Exchanges. Post listing, the Committee will meet as and when required and in accordance with statutory provisions.

(v) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board of Directors of your Company consists of the following Members as on March 31, 2026:

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

There was no change in the composition of the Committee during FY25-26.

The Company Secretary acts as the Secretary of the Committee.

One (1) meeting of the CSR Committee was held during the year under review, on August 07, 2025. The attendance of the Members of the CSR Committee is mentioned in Annual Report on Corporate Social Responsibility i.e., **Annexure II**.

Terms of Reference of Corporate Social Responsibility Committee

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

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

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

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

(i) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;

(ii) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;

(iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(iv) monitoring and reporting mechanism for the projects or programmes; and

(v) details of need and impact assessment, if any, for the projects undertaken by the Company.

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

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

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

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

Meeting of Independent Directors

The separate meeting of Independent Directors (IDs) of the Company as per the requirements of Schedule IV of the Act and Regulation 25(3) & (4) of the LODR 2015 was held on March 06, 2026. All the IDs were present at the meeting and they discussed the following:

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

Postal Ballot

During the year under review, the Members approved the appointment of Mr. Jitendra Pathak as Whole-time Director and his remuneration by way of Postal Ballot, the results of which were declared on August 8, 2025. M/s Sharma & Trivedi LLP, Practising Company Secretaries (LLPIN: AAW-6850), was appointed as Scrutiniser for conducting the Postal Ballot in a fair and transparent manner in accordance with the provisions of the Act and the Rules made thereunder. The said resolution was passed as a Special Resolution with requisite majority.

E. Other Disclosures

Related Party Transactions

There have been no materially significant related party transactions, pecuniary transactions or relationships between your Company and the Directors, management, subsidiary or relatives, except for those disclosed in the financial statements for the year ended March 31, 2026 and as reported in the Board's Report in terms of requirement under Section 134 of the Act.

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

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

There has been no non-compliance of any legal requirements nor have there been any strictures imposed by any Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets during the last three years. The equity shares of the Company were listed on September 04, 2026.

Whistle Blower Policy/Vigil Mechanism:

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

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

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

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

Policy for determining material subsidiaries:

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

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

Policy on Materiality

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

Means of Communication:

The Company's website www.esds.co.in consists of Investor Section, which provides comprehensive information to the Shareholders.

The Company's Annual Report is sent by email to all the Shareholders of the Company who have registered email ID with Depository or RTA /Company.

The hard copy of the Annual Report is sent to those who have not registered email ID with the Company/ Depository/RTA and also to those shareholders who want hard copy on request.

Pursuant to Regulation 43A of LODR 2015, the Dividend Distribution Policy is hosted on the Website of the Company www.esds.co.in.

General Shareholders Information		
1.	**Annual General Meeting**	
	Date, Time and Venue	November 30, 2026 at 11:00 a.m. through VC/OAVM
2.	Financial Year	Financial Year is April 1 to March 31 of the following year
3.	Record Date/Cut-off Date for e-voting	November 23, 2026
4.	Record date for Interim/Final Dividend declared in FY25-26	Not Applicable
5.	Interim/Final Dividend	Not Applicable
6.	Interim/Final Dividend Payment Date	Not Applicable
7.	Listing on Stock Exchanges & Payment of Listing Fees	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 (listed w.e.f. September 04, 2026). Annual listing fees for FY26-27 have been paid.
8.	Stock Code	BSE Scrip Code: 544898; NSE Symbol: ESDS; ISIN: INE0DRI01029
9.	Registrars and Transfer Agents with address for correspondence	MUFG Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400 083 Tel. : 022 – 49186000 Fax: 022 – 49186060
10.	Share Transfer System	The Board has delegated the power of Share Transfer to the Stakeholder Relationship Committee of the Board of Directors.
11.	Dematerialisation of Shares and Liquidity	10,04,27,753 Equity shares (100%) were held in electronic mode as on March 31, 2026.
12.	Electronic Clearing Service (ECS)	SEBI, through its Circular No., CIR/MRD/DP/10/2013, dated March 21, 2013, has mandated the Companies to use Reserve Bank of India (RBI) approved electronic payment modes, such as ECS, NEFT, NACH and others to pay members in cash. Members are requested to update their Bank Accounts details with their respective depository participants (for shares held in the electronic form) or write to the Company's Registrars and Transfer Agents, M/s MUFG Intime India Private Limited (for shares held in the physical form). Members are encouraged to utilize ECS for receiving dividends.
13.	Investor Complaints to be addressed to	Registrars and Transfer Agents or Prasad Deokar, Company Secretary, at the addresses mentioned earlier
14.	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on equity	The Company has not issued any GDRs/ADRs/ Warrants or any Convertible Instruments.
15.	Plant/Data Centre Locations	**Nashik Data Centre:** 2nd Floor situated at Plot No. B – 24 & 25, NICE Area, MIDC, Satpur, Nashik – 422 007, Maharashtra, India
		Airoli Data Centre: Unit No. 201 & 202, A & B Wing, 2nd Floor, Reliable Tech Park, Cloud City Campus, Gut No. 31, Village – Elthan, Kalwa Industrial Estate, Thane – Belapur Road, Airoli, Navi Mumbai – 400 708, Maharashtra, India
		Bengaluru Data Centre: 1st Floor, STPI building, No. 76 & 77, Electronic city, Bengaluru – 560 100, Karnataka, India
		Mohali Data Centre: Plot No. C – 184, Industrial Area, Phase VIII-A, Sector 75, Sahebzada Ajit Singh Nagar – 160 071, Punjab, India
		Noida Data Centre: Ganga Software Technology Complex, Sector 29, Noida – 201 303, Uttar Pradesh, India

Details of fees paid to statutory Auditors during the financial year 2025-26

The total fees paid/payable for all services rendered by the statutory auditors viz. MSKC & Associates LLP, Chartered Accountants, to the Company is ₹ 20.80 lakhs (exclusive of taxes) towards statutory audit.

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

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

General Body Meetings

Details of the last three Annual General Meetings:

AGM No.	Date of AGM	Venue of AGM	Time of AGM	Special Resolutions passed at AGM
20th	30.09.2025	Plot No. B-24 & 25, NICE Area, MIDC Satpur, Nashik 22007	11:00 am	To approve the revision of remuneration payable to Mr. Piyush Prakashchandra Somani (DIN: 02357582) as Managing Director of the Company
				To approve the revision of remuneration payable to Ms. Komal Piyush Somani (DIN: 08477154) as Whole-time Director of the Company
				To approve the revision of remuneration payable to Mr. Jitendra Pathak (DIN: 09000712) as Whole-time Director of the Company
19th	30.09.2024	Plot No. B-24 & 25, NICE Area, MIDC Satpur, Nashik 422007	11:00 am	To approve the revision of remuneration payable to Mr. Piyush Prakashchandra Somani (DIN: 02357582) as Managing Director of the Company
				To approve the revision of remuneration payable to Ms. Komal Piyush Somani (DIN: 08477154) as Whole-time Director of the Company
				To re-appoint Mr. Piyush Prakashchandra Somani (DIN: 02357582), as a Managing Director of the Company for a period of five (5) years from January 26, 2025 and the remuneration payable to him on his re-appointment
18th	30.09.2023	Plot No. B-24 & 25, NICE Area, MIDC Satpur, Nashik 422007	11:00 am	To approve the revision of remuneration payable to Mr. Piyush Prakashchandra Somani (DIN: 02357582) as Managing Director of the Company
				To approve the revision of remuneration payable to Ms. Komal Piyush Somani (DIN: 08477154) as Whole-time Director of the Company

Report on Corporate Governance

Extraordinary General Meeting

One Extra-Ordinary General Meeting was held during the year under review on December 24, 2025. Remote e-voting facility was provided to the Members of the Company for casting the votes on Special Resolution for increasing the size of initial public offer of the equity shares through issue by the Company.

The said resolution was passed with special majority.

Postal Ballot

During the year under review, one resolution was passed by Postal Ballot on August 8, 2025.

Procedure for Postal Ballot

NRC recommended and Board approved the agenda to be passed through postal Ballot, subject to approval of the shareholders.

The Postal Ballot notice along with Explanatory Statement were sent to the shareholders through e-mails whose name appeared in the Register of Members maintained by the depositories.

Period of 30 days was allowed to enable them vote through remote e-voting in view of various Circulars issued by MCA and SEBI from time to time.

After the last date of remote e-voting, M/s. Sharma and Trivedi LLP, Practicing Company Secretaries, Mumbai, Scrutiniser, submitted their report to the Chairman, and on the basis of the same, the resolutions were declared as passed with requisite majority. The voting results and the Scrutiniser's Report were submitted to the Stock Exchanges and is also available on the website of the Company.

The following special resolution were passed through postal ballot, the results of which were declared on August 08, 2025.

- Approval for appointment of Mr. Jitendra Pathak as a Whole-time Director of the Company.

MD/CFO Certification

The Managing Director and the Chief Financial Officer have issued a certificate to the Board in terms of Regulation 17(8) of SEBI LODR for the financial year ended March 31, 2026, which is annexed to this Report as **Annexure B**.

Certificate of Non-Disqualification of Directors

A certificate from M/s. Milind Gujar & Associates, Practising Company Secretary confirming that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors by SEBI/MCA or any such statutory authority is annexed to this Report as **Annexure C**.

Compliance Certificate on Corporate Governance

A certificate from M/s. Milind Gujar & Associates, Practising Company Secretaries regarding compliance with the conditions of Corporate Governance as stipulated under Part E of Schedule V of SEBI LODR is annexed to this Report as **Annexure D**.

Senior Management

Particulars of Senior Management including changes since the close of the previous financial year:

Name	Designation	Date of Change	Reason
Sushil Kadu	Chief Product Officer	November 02, 2026	Designated
Gaurav Sanjay Godse	Chief Artificial Intelligence Officer	February 01, 2026	Redesignation
Ashok Pomnar	Senior Vice President	December 1, 2024	Redesignation
Sajiv Gangadharan Nair	Chief Technology Officer and Chief Information Officer	October 29, 2026	Resignation
Rushikesh Jadhav	Chief Technology Officer	January 02, 2026	Resignation
Rajeev Barnwal	Chief Autonomous Cloud Officer	June 16, 2025	Resignation
Jitendra Pathak	Chief Operations Officer	September 11, 2026	Resignation

Other Disclosures under Schedule V of SEBI LODR

(a) There was no instance where the Board did not accept any recommendation of its committees;

(b) Loans and advances in the nature of loans to firms/ companies in which Directors are interested: Nil;

(c) Commodity price risk: Not applicable; the Company's foreign exchange risk is managed as per its Risk Management Policy; Commodity price risk or foreign exchange risk and hedging activities

Commodity Risk: The Company is not exposed to any commodity price risk, and hence the disclosure under Clause 9(n) of Para C of Schedule V in terms of the format prescribed vide SEBI Master Circular dated January 30, 2026, is not applicable.

Foreign Exchange Risk and hedging activities: The Company manages its foreign exchange risk through appropriate hedging strategies and regularly monitors its exposure arising from foreign currency transactions. Details of the Company's foreign currency exposures are mentioned in Note no. 34(c)(i) of the standalone financial statements forming part of the Annual Report.

(d) Details of utilisation of funds raised through preferential allotment/QIP: Not applicable during the year;

(e) Agreements under Clause 5A of Para A of Part A of Schedule III: Nil;

(f) Shares in demat suspense/unclaimed suspense account: As on March 31, 2026, the Company did not have any shares lying in an Unclaimed Share Demat Suspense Account. Accordingly, the disclosure requirements under Schedule V(F) of the SEBI Listing Regulations are not applicable to the Company.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are as follows:

During FY25-26, the total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, are as follows:

Type of Service	Amount (₹ in million)
Audit Fee	1.50
Initial Public Offering related Services	4.00
Certification Fee	0.90
Reimbursement of expenses	0.11

Disclosure of certain types of agreements binding Listed Entities:

The Company has not been informed of any agreement under regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations. Accordingly, there was no requirement for disclosing the same.

Market Price Data and Shareholding Pattern

Market price data for FY25-26 is not applicable as the equity shares were listed on September 04, 2026.

Disclosure on Website

The necessary information/Codes/Policies have been hosted on the website of the Company at https://www.esds.co.in/investor

List of top Ten (10) Shareholders other than Promoter or Promoter Group as on October 30, 2026

Sr. No.	Name of Shareholder	No. of Equity Shares held	% to total Paid-up Capital
1	Mukul Mahavir Agrawal	70,32,960	6.00
2	Vanaja Sundar Iyer	42,17,164	3.60
3	Suresh Kumar Agarwal	24,91,592	2.13
4	Ashish Kacholia	24,02,000	2.05
5	Maithan Alloys Limited	18,69,953	1.60
6	NKA Resources LLP	18,08,182	1.54
7	Seema Dilip Vora	15,28,383	1.30
8	ESDS Employee Benefit Trust	12,77,494	1.09
9	Ketan C Sheth	12,17,442	1.04
10	Ketan Vallabhdas Thakkar-Prop	12,00,000	1.02

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

SD/-
(Piyush Prakashchandra Somani)
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: November 02, 2026

Annexure A to the Report on Corporate Governance

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT
[Pursuant to Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
ESDS Software Solution Limited
Plot No. B-24 & 25, NICE Area, MIDC,
Satpur, Nashik – 422 007, Maharashtra, India

I, Piyush Prakashchandra Somani, Chairman and Managing Director of ESDS Software Solution Limited ("the Company"), hereby declare, pursuant to Regulation 34(3) read with Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, that:

(a) The Board of Directors of the Company has laid down a Code of Conduct for all members of the Board of Directors and Senior Management Personnel of the Company; and

(b) All members of the Board of Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the financial year ended March 31, 2026.

For **ESDS Software Solution Limited**

Sd/-
(Piyush Prakashchandra Somani)
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: November 02, 2026

Annexure B to the Report on Corporate Governance

CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
[Pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
ESDS Software Solution Limited
Plot No. B-24 & 25, NICE Area, MIDC,
Satpur, Nashik – 422 007, Maharashtra, India

Subject: Certificate pursuant to Regulation 17(8) read with Schedule II, Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, the undersigned, being the Chief Executive Officer (Chairman and Managing Director) and the Chief Financial Officer of ESDS Software Solution Limited ("the Company"), hereby certify to the Board of Directors that:

A. Review of Financial Statements

We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2026 and that, to the best of our knowledge and belief:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

(b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

B. Fraudulent, Illegal or Non-Compliant Transactions

To the best of our knowledge and belief, no transactions have been entered into by the Company during the financial year ended March 31, 2026 which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. Internal Controls

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Statutory Auditors and the Audit Committee:

(a) deficiencies in the design or operation of such internal controls, if any, of which we are aware; and

(b) the steps we have taken or propose to take to rectify these deficiencies.

D. Disclosures to Auditors and Audit Committee

We have indicated to the Statutory Auditors and the Audit Committee that:

(a) there are no significant changes, in internal control over financial reporting during the year;

(b) there are no significant changes, in accounting policies during the year; and

(c) no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of **ESDS Software Solution Limited**

Sd/-
Piyush Prakashchandra Somani
Chairman and Managing Director
(Chief Executive Officer)
DIN: 02357582

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: November 02, 2026

Annexure C to the Report on Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
[Pursuant to Regulation 34(3) read with Para C, Clause (10)(i) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
ESDS Software Solution Limited
Plot No. B-24 & 25, NICE Area, MIDC,
Satpur, Nashik – 422 007, Maharashtra, India

Subject: Certificate pursuant to Regulation 34(3) read with Schedule V, Part C, paragraph A, clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ESDS Software Solution Limited ("the Company"), having Corporate Identity Number (CIN): U72200MH2005PLC155433, and other relevant documents maintained by the Company, for the financial year ended March 31, 2026.

Based on my examination and the disclosures/information and explanations furnished to me by the Company, its officers and Directors, I hereby certify that, to the best of my knowledge and belief, none of the Directors on the Board of the Company as stated in below table for the Financial Year ended on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA) or any other statutory/regulatory authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1	Mr. Piyush Prakashchandra Somani	02357582	18.08.2005
2	Ms. Komal Piyush Somani	08477154	28.07.2021
3	Mr. Jitendra Pathak	09000712	04.02.2025
4	Mr. Thandankorai Ganapathy Dhandapani	09239677	28.07.2021
5	Ms. Pamela Kumar	07616165	28.07.2021
6	Mr. Venkatesh Natarajan	07471917	01.07.2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is issued for inclusion in the Annual Report of the Company for the financial year ended March 31, 2026.

For **Milind Gujar & Associates**
Company Secretaries

Sd/-
CS Milind J. Gujar
Membership No.: FCS 9937
Certificate of Practice No.: 12295
Peer Review Certificate No.: 2982/2023
UDIN: F009937H002074560

Place: Nashik
Date: October 29, 2026

Annexure D to the Report on Corporate Governance

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
[Pursuant to Regulation 34(3) read with Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
ESDS Software Solution Limited
Plot No. B-24 & 25, NICE Area, MIDC,
Satpur, Nashik – 422 007, Maharashtra, India

Subject: Certificate pursuant to Regulation 34(3) read with Schedule V, Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined the compliance of conditions of Corporate Governance by ESDS Software Solution Limited ("the Company") for the financial year ended March 31, 2026, as stipulated in Regulation 34(3) read with Part E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company, including the preparation and maintenance of all relevant financial and non-financial records and documents.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2026.

This certificate is issued solely for the purpose of complying with the requirements of Regulation 34(3) read with Part E of Schedule V of the SEBI Listing Regulations for inclusion in the Annual Report of the Company for the financial year ended March 31, 2026, and should not be used by any other person or for any other purpose.

For **Milind Gujar & Associates**
Company Secretaries

Sd/-
CS Milind J. Gujar
Membership No.: FCS 9937
Certificate of Practice No.: 12295
Peer Review Certificate No.: 2982/2023
UDIN: F009937H002074659

Place: Nashik
Date: October 29, 2026

Annexure 1

AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES (MARCH 31, 2026)

Part "A": Subsidiaries

Amounts in ₹ million

Sr. No.	Name of Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets (excl. Investments)	Total Liabilities (excl. Share Cap & Reserve & Surplus)	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% Share-holding
1	Spochub Solutions Private Limited	INR	0.20	541.86	12,542.63	12,000.57		870.03	712.91		539.64	Nil	99.00
2	ESDS Global Software Solution Inc.	USD	0.07	13.45	2.44	15.81	Nil	Nil	Nil	Nil	Nil	Nil	100.00
3	ESDS Cloud FZ LLC	AED	1.51	98.18	156.08	56.38		120.17	54.62		54.62	Nil	100.00

Associates and Joint Ventures: Nil

For **ESDS Software Solution Limited**

Sd/-
(Piyush Prakashchandra Somani)
Chairman & Managing Director
DIN: 02357582
Date: 02.11.2026

Annexure II

Annual Report on Corporate Social Responsibility

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

1. Brief outline of the Company's CSR Policy

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

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

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

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

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

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

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

- Composition of CSR Committee is available on Company's Website and can be accessed at the below link; https://www.esds.co.in/investors/investors-pdf/CSR-Policy-for-ESDS.pdf

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **₹ 1.00 Lakh available**

6. Average net profit of the Company as per Section 135(5): **₹ 3,246.50 Lakhs**

7. (a) Two percent of average net profit of the Company as per Section 135(5): **₹ 64.92 Lakhs.**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 64.90 Lakhs.**

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

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/No)**	**Location of the Project**		**Amount spent for the project (₹ in Lakhs)**	**Mode of Implement-ation - Direct (Yes/No)**	**Mode of implementation – Through implementing agency**	
				State	**District**			**Name**	**CSR registration number**
1	Promoting Education	(ii)	Yes	Maharashtra	Nashik	65.00	Indirect	Vipassana International Childrens Academy And Research Center	CSR00049516
2	Tree Plantation Project	(i)	Yes	Maharashtra	Nashik	0.90	Direct	NA	NA

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

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

(f) Total amount spent for the Financial Year(8b+8c+8d+8e) – **₹ 65.90 Lakhs**

(g) Excess amount for set off, if any: **₹ 1 Lakh**

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

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

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

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

(a) Date of creation or acquisition of the capital asset(s): **Nil**

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

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Nil**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Nil**

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

Sd/-
(Piyush Prakashchandra Somani)
Chairman & Managing Director and Chairman of CSR Committee
DIN: 02357582

Place: Nashik
Date: November 02, 2026

Annexure III

Secretarial Audit Report

For the Financial Year Ended 31/03/2026

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

To,
The Members,
ESDS SOFTWARE SOLUTION LIMITED
CIN: U72200MH2005PLC155433
Plot No. B-24 & 25,
NICE AREA, MIDC SATPUR,
NASHIK MH 422007.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

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

v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992(SEBI Act) to the extent it was applicable during the Audit Period:

a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

d) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993;

e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi) Other laws applicable to the Company specifically:

a) Information Technology Act, 2000 and the rules made thereunder;

b) The Indian Copyright Act, 1957

c) The Patents Act, 1970

d) The Trade Marks Act, 1999

e) The Shops & Commercial Establishments Act;

f) The Labour Welfare Fund Act;

g) The Payment of Wages Act, 1936;

h) The Minimum Wages Act, 1948;

i) The Payment of Bonus Act, 1965;

j) The Workmen's Compensation Act, 1923;

k) The Employees' State Insurance Act, 1948;

l) The Employees' Provident Funds & Miscellaneous Provisions Act, 1952;

m) The Maternity Benefit Act, 1961;

n) The Industrial Disputes Act, 1947;

o) The Employment Exchanges Act;

p) The Contract Labour Act;

q) The Equal Remuneration Act, 1976;

r) State Pollution Control Board requirements;

s) Fire Department requirements;

t) Electrical & DG Set Permission requirements;

u) Compliance under all applicable ISO & other certifications.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. I further report that the compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the industry specific laws as applicable to the Company.

I further report that the Board of Directors and the committees of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review except as disclosed below.

I. The Members of the Company by way of Postal Ballot which concluded on August 8, 2025 have approved the re-designation of Mr. Jitendra Pathak (DIN: 09000712) from his earlier designation as Additional Director (designated as Executive Director) to 'Whole-time Director' with effect from February 4, 2025.

II. M/S Kirtane and Pandit, Chartered Accountants were appointed as the Internal Auditor for the Financial Year 2025-26 by Board of Directors. The appointment was duly made as per the provisions of Section 138 of the Companies Act, 2013.

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

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

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

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

During the year under review, the Company has granted 78,500 ESOPs under ESDS Employees Stock Ownership Plan - 2021 and 40,000 ESOPs under ESDS Employees Stock Option Plan – 2024, to eligible employees. Upon exercise of ESOPs, equity shares of Rs.1/- will be transferred from ESDS Employees Benefit Trust to such employee. The Company has not issued and allotted any equity shares under any ESOP Plans during the year under review.

For **MILIND GUJAR & ASSOCIATES**
Company Secretaries

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

Place: NASHIK
Date: 02/11/2026.
UDIN: F009937H002124973
Peer review Cert. No. 2982/2023

'Annexure A'

To,
The Members,
ESDS SOFTWARE SOLUTION LIMITED
NASHIK

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MILIND GUJAR & ASSOCIATES**
Company Secretaries

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

Place: NASHIK
Date: 02/11/2026.
UDIN: F009937H002124973
Peer review Cert. No. 2982/2023

Annexure-IV

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

The percentage increase in remuneration of the Executive Directors, Chief Financial Officer and Company Secretary during the Financial Year 2025-26, the ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year and the comparison of remuneration of each Key Managerial personnel (KMP) against the performance of the Company is as under:

A. The ratio of the remuneration of each director to the median remuneration of the employees for the financial year

Sr. No.	Name of Director/ KMP	Designation	Percent increase in remuneration in the financial year 2025-26	Ratio of the remuneration of each director to the median remuneration of the employees for the financial year
1	Mr. Piyush Somani	Chairman and Managing Director	30.00%	28.26
2	Ms. Komal Somani	Executive Director	30.00%	15.05
3	Mr. Jitendra Pathak	Whole-time Director	7.00%	31.25
4	Mr. Sameer Redij	Whole-time Director	Nil	13.58
5	Mr. Nadukuru Sita Ramaiah	Chief Financial Officer	10.00%	N.A.
6	Mr. Prasad Deochand Deokar	Company Secretary & Compliance Officer	37.50%	N.A.

Note:

1. Median remuneration of all the employees of the Company for the fiscal year 2025-26 is Rs.6,48,000/- (Rupees Six Lakh Forty-Eight Thousand only).
2. The Company has paid sitting fees to the Independent Directors which shall not be treated as remuneration under Section 197 of the Companies Act, 2013.
3. Mr. Jitendra Pathak resigned as Whole-time Director effective from July 13, 2026 and Mr. Sameer Redij was appointed on Board as Additional Director (Executive) effective from July 13, 2026.

Sr. No.	Requirements	Disclosure
1	The percentage increase in remuneration of each Director, CEO, CFO & CS.	Please refer above table at Sr. No. A
2	The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of the employees in the financial year was increased by 29.98%. The calculation of % increase in median remuneration is done based on comparable employees.
3	The number of permanent employees on the rolls of the Company.	There were 995 permanent employees as on March 31, 2026
4	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentage change in Managerial employees is 31.91 % whereas the average percentage change in non-managerial employees is 32.81 % in financial year 2025-26.
5	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration is as per the remuneration policy of the Company.
6	the key parameters for any variable component of remuneration availed by the directors	The variable component of remuneration of the Executive Directors is paid annually. It is recommended by the Nomination and Remuneration Committee and approved by the Board, within the limits approved by the Members. The key parameters for deciding it are: • Company performance: achievement of annual targets for revenue, profitability (EBITDA and profit after tax), growth and market share; • Individual performance: achievement of the goals and key result areas set for each Director, assessed through the annual performance evaluation process; • Strategic initiatives: progress on long-term priorities such as innovation, business expansion, sustainability and capability building; • Governance and compliance: adherence to governance standards, regulatory compliance and risk management; • Industry benchmarks: remuneration levels in peer companies of comparable size and complexity; • Applicable limits: the overall limits under Section 197 read with Schedule V of the Companies Act, 2013, and Regulation 17(6) of SEBI LODR. The Independent Directors are paid sitting fees only and receive no variable remuneration.

B. Details Pertaining to Remuneration as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company had 2 employee who were in receipt of remuneration of not less than Rs. 1,02,00,000 during the year ended 31st March, 2026 or not less than Rs.8,50,000 per month during any part of the year. The details are provided in Sr.No. A.

C. Details Pertaining to Remuneration as Required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available during 21 days before the Annual General Meeting in electronic mode to any Shareholder upon request sent at secretarial@esds.com. Such details are also available on your Company's website and can be accessed at the Website: www.esds.co.in.

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

SD/-
(Piyush Somani)
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: November 02, 2026

Independent Auditor's Report

To the Members of ESDS Software Solution Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of ESDS Software Solution Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the financial information included in the Director's report but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Director's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

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

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Other Matters:

The standalone financial statements of the Company for the year ended March 31, 2025, were audited by previous auditor whose report dated August 12, 2025 expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except:

      (i) in the absence of sufficient appropriate audit evidence with respect to one accounting software being used for the purpose of billing and managing customer records, we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis, and

      (ii) for the matter stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statements.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g)

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (h) 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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

      iv. a. To the best of our 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 Company to or in any other person or entity, 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 Company ("Ultimate Beneficiaries") or provide any guarantee,

security or the like on behalf of the Ultimate Beneficiaries.

b. To the best of our knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

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

v. In regard to the accounting software:

Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level to log any direct data changes. Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in those years.

In regard to the payroll software:

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

In regard to the software used for the purpose of billing and managing customer records:

Based on our examination which included test checks, the Company has used an accounting software for billing and managing customer records. However, in the absence of sufficient and appropriate audit evidence, we are unable to comment whether such software has a feature of recording audit trail (edit log) facility, and whether the audit trail feature has been operated throughout the year for all relevant transaction recorded in the software. Further, we are also unable to comment whether there is any instance of audit trail feature being tampered with or whether the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention for reason explained above.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877NMOBQL4142

Place: Pune
Date: May 27, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ESDS SOFTWARE SOLUTION LIMITED

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877NMOBQL4142

Place: Pune
Date: May 27, 2026

Independent Auditor's Report

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ESDS SOFTWARE SOLUTION LIMITED FOR THE YEAR ENDED MARCH 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and right-of-use assets

B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment were physically verified by the management according to a phased programme designed to cover all items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from Banks on the basis of security of current assets. Refer note 42 to the financial statements.

Based on the records examined by us in the normal course of audit of the financial statements, quarterly returns / statements filed with such Banks are not in agreement with the books of account of the Company. Details of the same are as below.

Month Ended	FSA	Amount as per books of account	Amount as per monthly return/ statement	Discrepancy	Reasons
June 30, 2025	Trade Receivables	648.76 Mn	674.41 Mn	(25.65) Mn	This is due to quarterly adjustment entries posted.
September 30, 2025	Trade Receivables	528.92 Mn	526.99 Mn	1.93 Mn	This is due to quarterly adjustment entries posted.
December 31, 2025	Trade Receivables	589.39 Mn	582.39 Mn	7.00 Mn	This is due to quarterly adjustment entries posted.
March 31, 2026	Trade Receivables	711.26 Mn	806.95 Mn	(95.69) Mn	This is due to quarterly adjustment entries posted.

#Receivables reported above relate to balances outstanding for less than 120 days

iii. (a) According to the information and explanations provided to us, the Company has provided loans to other entities.

(A) The details of such loans to subsidiaries are as follows:

Particulars	Loans (In Mn)
Aggregate amount granted/ provided during the year	
- Subsidiaries	Nil
Balance Outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	42.94

(B) There are no loans or advances and guarantees or security to parties other than subsidiaries.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, and terms and conditions in relation to grant of all loans and investments made are not prejudicial to the interest of the Company.

(c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans and/ or advances in the nature of loans, granted to Company.

(e) According to the information and explanations provided to us, there were no loans or advance in the nature of loan granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loan given to the same parties.

(f) According to the information and explanations provided to us, the Company has not any granted loans and / or advances in the nature of loans, including to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans and investments made.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

vi. The provisions of sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been slight delays in a few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

Independent Auditor's Report

(b) According to the information and explanations given to us and the records examined by us, statutory dues as referred to in sub-clause(a) above which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded ₹	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Goods and Service Tax	Disputed Statutory Dues (ITC)	2.96 Mn	FY 2020-21	The Commissioner-CGST	NA
Goods and Service Tax	Disputed Statutory Dues (ITC)	11.32 Mn	FY 2019-20 & FY 2020-21	The Commissioner-CGST	NA
Goods and Service Tax	Disputed Statutory Dues (ITC)	18.61 Mn	FY 2019-20	Assistant Commissioner of State Tax-Investigation	NA
Goods and Service Tax	Disputed Statutory Dues (ITC)	4.40 Mn	FY 2020-21	Assistant Commissioner of State Tax-Investigation	NA

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 41 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 38 to the standalone financial statements.

(b) In respect of ongoing projects, there are no unspent amounts that are required to be transferred to a special account as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 38 to the standalone financial statements.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877NMOBQL4142

Place: Pune
Date: May 27, 2026

Independent Auditor's Report

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ESDS SOFTWARE SOLUTION LIMITED

Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of ESDS Software Solution Limited on the Standalone Financial Statements for the year ended March 31, 2026

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

We have audited the internal financial controls with reference to standalone financial statements of ESDS Software Solution Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, including has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877NMOBQL4142

Place: Pune
Date: May 27, 2026

Standalone Balance Sheet

as at March 31 2026

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

Particulars	Note	March 31, 2026	March 31, 2025
I ASSETS			
I. Non-current assets			
Property, plant and equipment	3	3,164.12	2,849.96
Right -of- use assets	4	584.41	662.43
Capital work -in -progress	5	39.92	
Other Intangible assets	6	130.35	12.70
Financial Assets			
Investments	7	431.91	429.22
Other financial assets	8	194.23	185.86
Income tax assets (net)	9	23.60	23.60
Other non-current assets	10	63.26	33.61
Total non-current assets		**4,631.80**	**4,197.38**
II. Current assets			
Financial assets			
Trade receivables			
Billed	11	913.28	984.93
Unbilled	11	554.70	432.22
Cash and cash equivalents	12	38.69	190.48
Other financial assets	8	498.09	759.99
Other current assets	13	494.37	342.36
Total current assets		**2,499.13**	**2,709.98**
Total assets		**7,130.93**	**6,907.36**
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	100.43	100.43
Other equity			
Reserves and surplus	15	5,099.57	4,431.21
Total equity		**5,200.00**	**4,531.64**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
Non-current borrowings	16	284.17	405.97
Lease liabilities	4	375.81	499.89
Employee benefit obligations	18	79.88	93.07
Deferred tax Liability (net)	22	148.93	119.96
Total non-current liabilities		**888.79**	**1,118.89**
II. Current liabilities			
Financial liabilities			
Current borrowings	16	145.00	221.16
Lease liabilities	4	159.72	140.40
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	19	18.17	27.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	19	360.88	255.42
Other financial liabilities	17	111.03	392.94
Employee benefit obligations	18	23.08	51.60
Current tax liabilities (net)	20	49.62	25.00
Other current liabilities	20a	174.64	142.63
Total current liabilities		**1,042.14**	**1,256.83**
Total liabilities		**1,930.93**	**2,375.72**
Total equity and liabilities		**7,130.93**	**6,907.36**

Material accounting policies
The accompanying notes form an integral part of standalone financial statements.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Standalone Statement of Profit and Loss

for the year ended March 31 2026

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

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from operations	23	3,781.17	3,574.28
Other income	24	91.68	161.05
I Total income		**3,872.85**	**3,735.33**
Expenses			
Employee benefits expense	25	928.10	937.37
Finance costs	26	117.90	218.63
Depreciation and amortisation expenses	27	634.58	607.43
Other expenses	28	1,285.57	1,098.34
II Total expenses		**2,966.15**	**2,861.77**
Profit before exceptional items		**906.70**	**873.56**
Exceptional Items			
Rates and Taxes		-	1.41
III Profit before tax (I - II)		**906.70**	**872.15**
Income tax expense			
Current tax	21	252.56	245.55
Less: MAT credit entitlement			(73.92)
Prior year taxes		36.38	-
Deferred tax	22	(3.73)	92.95
IV Total income tax expense		**285.21**	**264.58**
V Profit for the year [A] (III - IV)		**621.49**	**607.57**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gain / (Loss) on remeasurement of post-employment defined benefit plans	32	10.00	(3.02)
Income tax relating to above		(2.52)	0.84
		7.48	**(2.18)**
VI Total other comprehensive income for the year, net of tax [B]		**7.48**	**(2.18)**
Total comprehensive income for the year [A+B]		**628.97**	**605.40**
Earnings per equity share of ₹ 1 each (INR)	29		
Basic (in INR)		6.19	6.37
Diluted (in INR)		6.08	6.37

Material accounting policies
The accompanying notes form an integral part of standalone financial statements.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Statement of Standalone Cash flows

for the year ended March 31, 2026

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

Sr. no	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
I	**Cash flows from operating activities**		
	Profit / (loss) before tax	906.70	872.15
	Adjustments for		
	Depreciation and amortisation expense	634.58	607.43
	Gain on sale of property, plant and equipment	(3.74)	(0.78)
	Expected credit loss allowance	24.37	99.27
	Balances written back	(8.05)	(1.82)
	Interest income	(31.72)	(39.28)
	Finance costs excluding bank charges	108.26	218.63
	Unrealised gain on mutual fund	(2.69)	-
	Re-statement of foreign currency gain on loan to subsidiary	(13.15)	-
	Employee stock option expenses	46.14	2.25
	Unrealised exchange (gain)/loss	(1.11)	9.03
	Cessation of lease liabilities	1.44	(104.93)
	Operating profit before working capital changes	**1,661.03**	**1,661.95**
	Changes in working capital		
	(Increase) / decrease in trade receivables	(74.55)	(335.46)
	(Increase)/ decrease in current and non current financial assets	15.90	(268.08)
	(Increase) / decrease in other current and non-current assets	(205.45)	(195.91)
	Increase / (decrease) in trade payables	104.00	57.90
	(Increase)/ decrease in other financial liabilities	0.95	291.77
	Increase / (decrease) in employee benefit obligations	(32.90)	18.73
	Increase/ (decrease) in other current and non current liabilities	32.02	60.21
	Cash generated from operations	**1,501.00**	**1,291.11**
	Income taxes paid (net of refunds received)	(236.64)	(69.35)
	Net cash inflow/ (outflow) from operating activities	**1,264.36**	**1,221.76**
II	**Cash flows from investing activities**		
	Payments for property, plant and equipment and intangible assets	(1,258.92)	(1,136.00)
	Investment in fixed deposits with bank (net)	(110.30)	-
	Proceeds from sale of property, plant and equipment and intangible assets	7.43	1.78
	Proceeds from loans provided to subsidiary and interest thereon	363.39	-
	Interest received on fixed deposits	29.41	39.28
	Net cash flows from investing activities	**(968.99)**	**(1,094.94)**
III	**Cash flows from financing activities**		
	Repayment of long-term borrowing (excluding lease liabiltiies)	(167.49)	(441.76)
	Repayment of short term borrowing (excluding lease liabilites)	(30.47)	(85.52)
	Payment of Lease liabilities	(195.53)	(226.82)
	Interest paid on borrowings	(53.67)	(136.99)
	Fresh issue of equity shares	-	1,370.87
	Sale of Shares in subsidiary company	-	0.09
	Investment in subsidiary company	-	(386.19)
	Investment in mutual funds	-	(42.76)
IV	**Net cash inflows/ (outflow) from financing activities**	**(447.16)**	**50.92**
	Net increase / (decrease) in cash and cash equivalents	(151.79)	177.74
	Cash and cash equivalents at the beginning of the year	190.48	12.74
V	**Cash and cash equivalents at the end of the year**	**38.69**	**190.48**

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

Particulars	March 31, 2026	March 31, 2025
Cash and cash equivalents (Note 12)	38.69	190.48
Balances as per statement of cash flows	**38.69**	**190.48**

Material accounting policies (refer note 2)

The accompanying notes form an integral part of standalone financial statements.
Refer note 4 for cash and non-cash movement of financing activity.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Statement of Changes in Equity

for the year ended March 31, 2026

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

A. Equity share capital

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

Particulars	Total
As at March 31,2024	92.90
Add: Issue of equity shares	7.53
As at March 31, 2025	**100.43**
Add: Issue of equity shares	-
As at March 31, 2026	**100.43**

B. Other equity

Particulars	Reserves and surplus						Other comprehensive income	Total other equity
	Securities premium	Capital redemption reserve	Debenture Redemption Reserve	Retained earnings	Revaluation reserve	Share based payment reserve	Remeasurement of defined benefit liability	
As at March 31,2024	**1,704.10**	**3.58**	**75.00**	**570.21**	**100.89**	**16.07**	**(9.62)**	**2,460.23**
Profit for the year	-	-	-	607.57	-	-	-	607.57
Other comprehensive Income	-	-	-	-	-	-	(2.18)	(2.18)
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	2.50	(2.50)	-	-	-
Employee stock option expense for the year	-	-	-	-	-	2.25	-	2.25
Securities Premium on account issue of equity shares	1,404.84	-	-	-	-	-	-	1,404.84
Equity Cost	(41.50)	-	-	-	-	-	-	(41.50)
Transferred to Retained Earnings	-	-	(75.00)	75.00	-	-	-	-
As at March 31, 2025	**3,067.44**	**3.58**	**-**	**1,255.28**	**98.39**	**18.32**	**(11.80)**	**4,431.21**
Profit for the year	-	-	-	621.49	-	-	-	621.49
Other comprehensive Income	-	-	-	-	-	-	7.48	7.48
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	(3.06)	-	-	(3.06)
Deferred Tax on revaluation	-	-	-	-	(5.02)	-	-	(5.02)
Employee stock option expense for the year	-	-	-	-	-	47.47	-	47.47
Transfer to /(from) share based payment reserve	-	-	-	11.20	-	(11.20)	-	-
As at March 31, 2026	**3,067.44**	**3.58**	**-**	**1,887.97**	**90.31**	**54.59**	**(4.32)**	**5,099.57**

Material accounting policies (refer note 2)
The accompanying notes form an integral part of standalone financial statements.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

1. Reporting entity

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

The Company has its registered office in Nashik and runs its business operations in five cities i.e. Nashik, Mumbai, Bengaluru, Noida and Mohali.

The Board of Directors approved the financial statements for the year ended March 31, 2026 on May 27, 2026.

2(a) Basis of preparation of Financial Statements

(i) Statement of compliance and basis of Preparation

The financial statements ("the Financial Statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

Details of the Company's material accounting policies are included in Note 2(c).

(ii) Functional and presentation currency

These Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million to two decimal points, unless otherwise indicated.

(iii) Basis of measurement

The Financial Statements have been prepared on a historical cost convention on accrual basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Defined benefit plans	Plan assets measured at fair value

(iv) Critical accounting judgements and key sources of estimation uncertainty

In preparing these Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements are included in the following notes:

a) Critical Accounting Estimates

- Note 32 – The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 3 - Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives

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are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. The policy for the same has been explained under Note 2(c).

- Note 7 - The Company assesses the carrying value of investments in subsidiaries for impairment. This involves evaluating the subsidiary's financial performance, market conditions, and future cash flow projections. This process requires significant judgement, including assumptions about future cash flows, growth rates, and discount rates, reflecting management's best estimates under current market conditions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).

2(b) Changes in accounting policies and disclosures

(i) Standards issued and effective from April 01, 2025

The Ministry of corporate Affairs ("MCA") notified amendments on May 07, 2025 and August 13, 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025

- **Amendment to Ind AS 21 - Lack of exchangeability**

  The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the standalone financial statements of the Company.

- **Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants**

  The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

  a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

  b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

  c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

  These amendments have no effect on the measurement of any items in the standalone financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

- **Amendment to Ind AS 12 – Pillar-Two Tax Reforms**

  The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

- **Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement**

  The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The Company does not have any supplier finance arrangements.

(ii) New standards and amendments issued but not effective

- Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants

The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 01, 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

2(c) Material accounting policies

(i) Foreign currency transactions and translation

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

(ii) Financial Instruments

(a) Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, Loans given, trade receivables, investments in equity & Mutual funds and eligible current and non-current assets; and
- financial liabilities, which include borrowings, trade payables and eligible current and non-current liabilities.

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents.

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks and are considered part of the Company's cash management system.

Investments

Financial instruments measured at fair value through profit or loss ("FVTPL"):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss. The gain or loss on disposal is recognised in the statement of profit and loss.

Investments in subsidiaries:

Investment in equity instruments of subsidiaries are measured at cost less impairment (if any). Cost represents amount paid for acquisition of the said investments

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

The **recoverable amount** is the higher of:

a. **Fair value less costs of disposal,** and

b. **Value in use** (present value of estimated future cash flows expected from the investment).

An impairment loss is recognised in the Statement of Profit and Loss if the recoverable amount of the investment is less than its carrying amount.

The impairment loss recognised in prior periods is reversed if there has been a change in the

estimates used to determine the investment's recoverable amount, but only to the extent that the carrying amount of the investment does not exceed the carrying amount that would have been determined had no impairment loss been recognised in earlier years. The impairment testing is performed in accordance with the principles of **Ind AS 36 – Impairment of Assets**.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at transaction value except trade receivable that contains significant financing component that are subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables, the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These comprise trade receivables loans given, lease receivables, and eligible current and non-current assets. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are presented as non-current assets. All financial assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. However, trade receivables that do not contain a significant financing component are measured at the Transaction Price.

Trade payables and other liabilities

Trade payables are initially recognised at transaction price, and subsequently carried at transaction price.

Other liabilities are initially recognised at transaction price, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

(b) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(iii) Property, plant and equipment ("PPE")

i. Recognition and measurement

Items of property, plant and equipment are measured at cost (cash price equivalent), which includes capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the management are in line with useful lives prescribed in Schedule II to the Companies Act 2013, as follows –

Particulars	Useful lives (years)
Office buildings	60
Computer and data center equipment's	3/4/5/6/10/15
Office equipment	3/4/5/8/10/15/20
Furniture and fittings	10
Vehicles	8

Cost of leasehold land is amortised over the period of lease i.e, 80 years to 99 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions / (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use / (disposed of).

(iv) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles is reviewed and where appropriate is adjusted, annually.

The estimated useful lives of the amortisable intangible assets i.e Computer software are considered as 3 and 10 years.

(v) Impairment

Impairment of Financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost which include trade receivables, loans given, lease receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using the effective interest rate.

Loss allowances for trade receivables, loans given, lease receivables are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account risk profiling of customers and historical credit loss experience adjusted for forward-looking information.

Impairment of non-financial assets

The Company's non-financial assets such as property, plant and equipment, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net

of depreciation or amortisation, if no impairment loss had been recognised.

(vi) Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Post-employment benefits (defined benefit plans)

The Company provides for retirement benefits in the form of Gratuity. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Defined contribution plans

The Company makes defined contribution to Government Employee Provident Fund, and Superannuation Scheme, which are recognised in the Statement of Profit and Loss on accrual basis.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(vii) Revenue Recognition

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

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

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

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

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

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

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

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

Rendering of services (Turn-key revenue and Webhosting revenue)

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

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

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

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract

liability is recognised. If the contract includes a usage-based fee, revenue is recognised in the amount to which Company has right to invoice. Customers are invoiced on a monthly basis, and consideration is payable when invoiced.

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

Unbilled revenue

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

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

Unearned revenue

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

Interest income

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

(viii) Dividend:

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

(ix) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. **Current income tax**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgements based on the expected outcome of assessments/ appeals and the relevant rulings in the areas of allowances and disallowances.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. **Deferred tax**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax liabilities are generally recognised for all taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(x) Leases

Company as a lessee:

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

Right-of-use assets:

The Company 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 Company 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. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company 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 Company and payments of penalties for terminating the lease, if the lease term reflects the Company 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 Company 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 Company applies the short-term lease recognition exemption to its short-term leases (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 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.

(xi) Provisions and Contingent Liabilities

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

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The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

(xii) Share-based payments

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

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

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

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

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

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

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

(xiii) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources.

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

(xiv) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(xv) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. 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.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

3 Property, plant and equipment

Particulars	Leasehold land	Leasehold improvements	Buildings	Computer and data centre equipment	Office equipments	Furnitures & fixtures	Vehicles	Total
Gross carrying value								
Opening gross carrying amount as at April 01, 2024	**85.70**	**53.19**	**132.52**	**2,702.60**	**425.25**	**73.21**	**45.23**	**3,517.70**
Additions	-	-	-	1,108.12	17.12	8.99	-	1,134.23
Disposals	-	-	-	-	-	-	(3.56)	(3.56)
Gross carrying amount as at March 31, 2025	**85.70**	**53.19**	**132.52**	**3,810.72**	**442.37**	**82.20**	**41.67**	**4,648.37**
Accumulated depreciation till April 01, 2024	**4.30**	**4.65**	**11.74**	**999.73**	**262.29**	**33.96**	**20.65**	**1,337.32**
Depreciation charge	0.77	0.93	1.57	353.30	90.87	8.83	5.14	461.41
Revaluation of assets	1.50	-	1.00	-	-	-	-	2.50
Accumulated depreciation on disposals	-	-	-	-	-	-	(2.82)	(2.82)
Closing accumulated depreciation as at March 31, 2025	**6.57**	**5.58**	**14.31**	**1,353.03**	**353.16**	**42.79**	**22.97**	**1,798.41**
Net carrying amount as at March 31, 2025	**79.13**	**47.61**	**118.21**	**2,457.69**	**89.21**	**39.41**	**18.70**	**2,849.96**

Particulars	Leasehold land	Leasehold improvements	Buildings	Computer and data centre equipment	Office equipments	Furnitures & fixtures	Vehicles	Total
Gross carrying value								
Opening gross carrying amount as at April 01, 2025	**85.70**	**53.19**	**132.52**	**3,810.72**	**442.37**	**82.20**	**41.67**	**4,648.37**
Additions	-	-	-	790.24	14.22	25.44	8.32	838.22
Reclassified from ROU assets	-	-	-	13.02	-	-	-	13.02
Disposals				-	(13.23)	-	(4.44)	(17.67)
Gross carrying amount as at March 31, 2026	**85.70**	**53.19**	**132.52**	**4,613.98**	**443.36**	**107.64**	**45.55**	**5,481.94**
Accumulated depreciation till April 01, 2025	**6.57**	**5.58**	**14.31**	**1,353.03**	**353.16**	**42.79**	**22.97**	**1,798.41**
Depreciation charge	0.62	1.36	1.96	489.15	24.44	7.85	4.95	530.33
Revaluation of assets	1.64		1.42	-	-	-	-	3.06
Accumulated depreciation on disposals	-	-	-	-	(10.81)	-	(3.17)	(13.98)
Closing accumulated depreciation as at March 31, 2026	**8.83**	**6.94**	**17.69**	**1,842.18**	**366.79**	**50.64**	**24.75**	**2,317.82**
Net carrying amount as at March 31, 2026	**76.87**	**46.25**	**114.83**	**2,771.80**	**76.57**	**57.00**	**20.80**	**3,164.12**

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

4 Right-of-use assets and Lease liabilities

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2026

Particulars	Premises	Equipments	Total
Gross carrying value			
Balance as at April 01, 2024	1,078.08	266.02	1,344.10
Additions	23.77	-	23.77
Disposals	(467.82)	-	(467.82)
Balance as at March 31, 2025	**634.03**	**266.02**	**900.05**
Accumulated depreciation			
Balance as at April 01, 2024	**326.17**	**23.42**	**349.59**
Amortisation expense	96.16	26.86	123.02
Disposals	(234.99)	-	(234.99)
Balance as at March 31, 2025	**187.34**	**50.28**	**237.62**
Net carrying value as on March 31, 2025	**446.69**	**215.74**	**662.43**
Gross carrying value			
Balance as at April 01, 2025	634.03	266.02	900.05
Additions	36.63	-	36.63
Disposals	-	(28.92)	(28.92)
Balance as at March 31, 2026	**670.66**	**237.10**	**907.76**
Accumulated depreciation			
Balance as at April 01, 2025	187.34	50.28	237.62
Amortisation expense	72.05	28.14	100.19
Disposals	-	(14.46)	(14.46)
Balance as at March 31, 2026	**259.39**	**63.96**	**323.35**
Net carrying value as on March 31, 2026	**411.27**	**173.14**	**584.41**

* During the year the Company exercised its purchase option on a Right-of-Use (ROU) asset as per the terms outlined in the relevant lease agreement. This exercise of the purchase option resulted in a reclassification of the ROU asset to Property, Plant, and Equipment. The carrying amount of the ROU asset transferred to property, plant, and equipment as at the date of exercise of purchase option in the relevant lease agreements is ₹ 14.46 million.

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

Lease liabilities

Particulars	March 31, 2026	March 31, 2025
Non-current	375.81	499.89
Current	159.72	140.40
Total	**535.53**	**640.29**

The following is the movement in lease liabilities

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	640.29	1,097.61
Additions	36.18	22.17
Deletions Modification/Rectification	-	(334.32)
Interest expense of Lease Liabilities	54.59	81.65
Payments	(195.53)	(226.82)
Balance as at end of the year	**535.53**	**640.29**

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

The table below provides details regarding the undiscounted contractual maturities of lease liabilities:

Particulars	March 31, 2026	March 31, 2025
Within 1 year	159.59	194.09
Between 1-5 years	455.80	573.12
More than 5 years	63.02	50.06
Total	**678.41**	**817.27**

Amounts recognised in profit and loss account

Particulars	March 31, 2026	March 31, 2025
Amortisation expense	100.19	123.02
Interest expense on lease liability	54.59	81.65
Total	**154.78**	**204.67**

5 Capital Work in Progress

Particulars	Capital work-in-progress
Opening gross carrying amount as on April 1, 2025	-
Additions	39.92
Disposals	-
Gross carrying amount as on March 31, 2026	**39.92**

Capital work-in-progress ageing schedule as on March 31, 2026

Particulars	Less than 1 year	1-2 year	6 Months to 1 year	2-3 year	More than 3 year	Total
Projects in progress	39.92	-	-	-	-	39.92
Projects temporarily suspended	-	-	-	-	-	-
Total	**39.92**	**-**	**-**	**-**	**-**	**39.92**

Note: There are no projects that have exceeded the budgeted cost and timeline.

6 Other Intangible assets

Particulars	Capital work-in-progress
Gross carrying value	
Balance as at April 01, 2024	127.46
Additions	-
Disposals	-
Balance as at March 31, 2025	**127.46**
Accumulated Amortisation	
Balance as at April 01, 2024	94.26
Amortisation charge	20.50
Accumulated amortisation on disposals	-
Balance as at March 31, 2025	**114.76**
Net carrying value as at March 31, 2025	**12.70**

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

Particulars	Capital work-in-progress
Gross carrying value	
Balance as at April 01, 2025	127.46
Additions	121.71
Disposals	-
Balance as at March 31, 2026	**249.17**
Accumulated Amortisation	
Balance as at April 01, 2025	114.76
Amortisation charge	4.06
Accumulated amortisation on disposals	-
Balance as at March 31, 2026	**118.82**
Net carrying value as at March 31, 2026	**130.35**

7 Investments

	As at March 31, 2026	As at March 31, 2025
Unquoted at amortised cost		
Investments in subsidiaries		
a. Investment in Equity Shares of ESDS Global Software Solution Inc 1,000 (March 31, 2025: 1000) equity shares of $1 each fully paid up.	0.07	0.07
b. Investment in Equity Shares of ESDS Cloud FZ LLC 66 (March 31, 2025 : 10) equity shares of AED 1000 each fully paid up.	386.19	386.19
c. Investment In Equity Shares of Spochub Solutions Private Limited - 19,800 (March 31, 2025 : 19,980) equity shares of Rs 10 each fully paid up.	0.20	0.20
Total	**386.46**	**386.46**
Quoted at FVTPL		
In Mutual Funds		
Aditya Birla Mutual funds*	45.45	42.76
Total investments	**431.91**	**429.22**
Aggregate value of Quoted Investments	**45.45**	**42.76**
Aggregate value of Unquoted Investments	**386.46**	**386.46**

*held as collateral against non-current borrowings
Refer note 33 for fair value measurement
Refer note 34 for information on company's Risk management process.

8 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non - Current		
Term deposits with banks	109.97	85.70
Other receivables	12.53	6.12
Security deposit	71.73	94.04
Total non-current financial assets	**194.23**	**185.86**
Current		
Loan to subsidiary	42.94	393.18
Term deposits with banks	450.74	364.71
Other receivables.	0.20	0.20
Accrued interest on term deposits	4.21	1.90
Total current financial assets	**498.09**	**759.99**

Refer note 34 for information on company's Risk management process.

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

9 Income tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax balance receivable	23.60	23.60
Total income tax assets (net)	**23.60**	**23.60**

10 Other non-current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	9.82	33.61
Prepaid expenses.	53.44	-
Total other non-current assets	**63.26**	**33.61**

11 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (unsecured)		
Considered good	1,243.48	1,296.65
Significant increase in credit risk	15.65	15.65
Less: expected credit loss allowance	(330.20)	(311.72)
Less: credit impaired	(15.65)	(15.65)
Total	**913.28**	**984.93**
Unbilled Revenue	554.70	432.22
Total	**554.70**	**432.22**
Total trade receivables	**1,467.98**	**1,417.15**

Refer note 31 for related party transactions.

Refer note 34 for information on Company's risk management process.

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and the Company does not hold any collateral security.

Ageing Schedule:

Outstanding for following period from the date of transaction as at March 31, 2026

Particulars	Unbilled	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Loss Allowance	Total
Undisputed trade receivables – considered good	-	828.20	188.41	130.87	39.41	56.59	(330.20)	913.28
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	15.65	(15.65)	-
Unbilled Receivable	554.70	-	-	-	-	-	-	554.70
Total trade receivables	**554.70**	**828.20**	**188.41**	**130.87**	**39.41**	**72.24**	**(345.85)**	**1,467.98**

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Unbilled	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Loss Allowance	Total
Undisputed trade receivables – considered good	-	967.49	164.10	84.73	15.99	64.35	(311.72)	984.93
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	15.65	(15.65)	-
Unbilled Receivable	432.22	-	-	-	-	-	-	432.22
Total trade receivables	**432.22**	**967.49**	**164.10**	**84.73**	**15.99**	**80.00**	**(327.37)**	**1,417.15**

12 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- In current accounts	38.69	40.48
- In deposits with original maturity of less than 3 months	-	150.00
Total cash and cash equivalents	**38.69**	**190.48**

Refer note 34 for information about Company's risk management process

13 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses^	279.18	273.32
Advances to creditors	165.08	24.78
Advances to employees	2.62	1.45
Balances with statutory authorities	47.49	42.81
Total other current assets	**494.37**	**342.36**

^Prepaid expense includes share issue expenses in connection with the proposed IPO by the Company of ₹ 107.34 million (March 31, 2025 - ₹ 46.15 million)

14 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital:		
460,00,00,000 (March 31, 2025 : 460,00,00,000) equity shares of Rs 1/- each	460.00	460.00
Total	**460.00**	**460.00**
Issued, subscribed and paid up :		
Equity share capital		
10,04,27,753 (March 31, 2025: 10,04,27,753) equity shares of Rs 1/- each fully paid up	100.43	100.43
Total	**100.43**	**100.43**

(i) Reconciliation of equity shares issued

Particulars	As at March 31, 2026		As at March 31, 2025	
	Numbers	Amount	Numbers	Amount
Shares outstanding at the beginning of the year	10,04,27,753	100.43	9,28,94,185	92.90
Add: Issue of equity shares	-	-	75,33,568	7.53
Shares outstanding at the end of the year	**10,04,27,753**	**100.43**	**10,04,27,753**	**100.43**

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

(ii) Terms/ rights attached to equity shares

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

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

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	% holding	No. of shares	% holding	No. of shares
Piyush Somani	24.54%	2,46,48,670	24.54%	2,46,48,670
PO Somani Family Trust	11.19%	1,12,33,739	11.19%	1,12,33,739
Komal Somani	10.13%	1,01,74,322	10.13%	1,01,74,322
Mukul Agrawal	7.00%	70,32,960	7.00%	70,32,960
Total no of shares		**5,30,89,691**		**5,30,89,691**

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

Shares held by promoters at the end of the year	As at March 31, 2026		As at March 31, 2025		% change
Promoter Name	% holding	No. of shares	% holding	No. of shares	
Piyush Somani	24.54%	2,46,48,670	24.54%	2,46,48,670	0%
PO Somani Family Trust	11.19%	1,12,33,739	11.19%	1,12,33,739	0%
Komal Somani	10.13%	1,01,74,322	10.13%	1,01,74,322	0%

Shares held by promoters at the end of the year	As at March 31, 2025		As at March 31, 2024		% change
Promoter Name	% holding	No. of shares	% holding	No. of shares	
Piyush Somani	24.54%	2,46,48,670	28.91%	2,68,52,696	-4%
PO Somani Family Trust	11.19%	1,12,33,739	24.19%	2,24,67,478	-13%
Komal Somani	10.13%	1,01,74,322	0.00%	11	10%

(v) Aggregate number of shares issued for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date

There are no such shares issued, allotted or bought back during the period of five years immediately preceding the reporting date

(vi) During the financial year 2024–25, the Board of Directors approved the ESDS Employees' Stock Ownership Plan, 2024 ("ESOP 2024"). Under the Plan, stock options are granted to eligible employees of the Company, as identified by the Nomination and Remuneration Committee. Each option is convertible into one equity share of the Company having a face value of ₹1, in accordance with the terms of the Plan. Upon vesting, employees are entitled to acquire one equity share for every option exercised.

A total of 20,60,000 options were granted under the plan. These options vest over a specified period or upon achievement of certain performance milestones, subject to a minimum vesting period of one year. The options were granted on February 28, 2025. The number of options outstanding with the Holding Company as at March 31, 2026 was 17,87,000 (March 31, 2025: 20,50,000).

During the year, 68,000 ESOP options were transferred to a subsidiary pursuant to an employee transfer arrangement between ESDS Software Solution Limited and Spochub Software Solutions Limited. Accordingly, the number of options outstanding in the subsidiary as at March 31, 2026 was 68,000 (March 31, 2025: Nil).

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

15 Other equity

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	**Retained earnings**		
	Opening balance	1,255.28	570.21
	Profit for the period	621.49	607.57
	Add/ (Less):		
	Transfer to /(from) share based payment reserve	11.20	-
	Transfer from Debenture redemption reserve	-	75.00
	Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred from revaluation reserve	-	2.50
	Total retained earnings	**1,887.97**	**1,255.28**
(ii)	**Other comprehensive income - Remeasurement of defined benefit plans**		
	Opening balance	(11.80)	(9.62)
	Add/ (Less):		
	Remeasurement of defined benefit plans	7.48	(2.18)
	Total other comprehensive income	**(4.32)**	**(11.80)**
(iii)	**Securities premium**		
	Opening balance	3,067.44	1,704.10
	Add: Premium on issue of equity shares	-	1,404.84
	Less: Transaction cost	-	(41.50)
	Total Securities premium	**3,067.44**	**3,067.44**
(iv)	**Capital redemption reserve**		
	Opening balance	3.58	3.58
	Add: Transfer from retained earnings	-	-
	Total capital redemption reserve	**3.58**	**3.58**
(v)	**Debenture redemption reserve**		
	Opening balance	-	75.00
	Add: Transfer from / (to) retained earnings	-	(75.00)
	Total Debenture redemption reserve	**-**	**-**
(vi)	**Revaluation reserve**		
	Opening balance	98.39	100.89
	Less: adjustment of depreciation	(3.06)	(2.50)
	Less: Deferred tax on revaluation	(5.02)	-
	Total revaluation reserve	**90.31**	**98.39**
(vii)	**Share based payment reserve**		
	Opening balance	18.32	16.07
	Share based compensated expense	47.47	2.25
	Transfer to free reserve on account of exercised option	(11.20)	-
	Total share based payment reserve	54.59	18.32
	Total Reserves and Surplus	**5,099.57**	**4,431.21**

II) Nature and purpose of reserves

a) Securities premium

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

b) Capital Redemption Reserve

Capital redemption reserve is created on account of redemption of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

c) Revaluation reserve

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

d) Share based payment reserve

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

e) Retained earnings

Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Act.

f) Debenture redemption reserve

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

16 Financial Liabilities

Non current borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured:		
Term Loans		
From banks	11.80	69.29
From financial institutions	394.17	504.17
Total	**405.97**	**573.46**
Less: Current maturities of non-current borrowings	(121.80)	(167.49)
Total non current borrowings	**284.17**	**405.97**

Current borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured:		
Demand loans from banks	23.20	53.67
Current maturities of long-term borrowings	121.80	167.49
Total non current borrowings	**145.00**	**221.16**

Note A:

Sr. No	Name of the bank	Type of Facility	O/s amount for the year ended March 31, 2026	O/s amount for the year ended March 31, 2025	Residual repayment term	Interest Rate (per annum)	Security
1	Axis Bank Limited	Term Loans	11.80	69.29	1 year	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the Company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the Company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of ₹ 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. PG Piyush Somani & Sarla Somani
2	Axis Bank Limited	Cash Credit	23.20	53.67	On Demand	11.25%	Primary – First pari pasu charge on entire current Asset of the Company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the Company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of ₹ 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. PG Piyush Somani & Sarla Somani
3	Aditya Birla Finance Limited	Term Loans	394.17	504.17	3.33 years	10.25%	1. 1st Pari passu charge by way of mortgage (if any) on all immovable fixed assets (present and future) of the Borrower (except for the land and building at Nashik and except for any future asset financed and secured exclusively by any particular lender), among all term lenders proportionately 2. 1st Pari passu charge over all movable fixed assets (present and future) of the Borrower including all patented technology and products, proportionate to outstanding amount among all term lenders proportionately. 3. Cash Flow equivalent to ₹ 2.5 Crores per month to be routed through designated account in favour of ABFL & to be maintained throughout Facility tenor. 4. 2nd Pari passu charge over entire current assets, book debts, receivables and cash flows, present and future, of the Borrower. 5. Personal Guarantees of Mr. Piyush Somani & Ms. Komal Somani. PG of Ms. Komal Somani shall be released upon submission of audited financial statement of the Borrower wherein the Borrower has achieved an EBIDTA of ₹ 120 Crores in any fiscal year. 6. 3 months' (Principal + Interest) DSRA to be lien marked in favour of ABFL 7. NACH and PDCs
	Total		**429.17**	**627.13**			

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for the year ended 31 March 2026

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

17 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Capital creditors*	83.30	366.16
Employee benefits payable	18.06	14.98
Other payables	9.67	11.80
Total other financial liabilities	**111.03**	**392.94**

18 Employee benefit obligations

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Gratuity [refer note:32]	79.88	93.07
Total non - current obligations	**79.88**	**93.07**
Current		
Gratuity [refer note:32]	1.50	2.00
Compensated absences	21.58	49.60
Total current obligations	**23.08**	**51.60**

19 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
Total outstanding dues of Micro and small enterprises (refer note below)	18.17	27.68
Total outstanding dues of creditors other than Micro and small enterprises	360.88	255.42
Total trade payables	**379.05**	**283.10**

Trade payables are non-interest bearing and are normally settled in 30-45 days terms.

There are no unbilled dues for the trade payables as on the balance sheet date.

Refer note no.: 34 for information about the Company's financial risks management process and note no.: 31 for related party transactions.

Ageing Schedule

Outstanding for following period from the date of invoice as at March 31, 2026

Particulars	Payables not due	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	18.17	-	-	-	18.17
Others	101.51	257.37	1.27	0.25	0.48	360.88
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	**101.51**	**275.54**	**1.27**	**0.25**	**0.48**	**379.05**

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Payables not due	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	27.67	-	0.01	-	27.68
Others	55.32	162.81	0.02	-	11.60	229.74
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	25.68	-	-	25.68
Total	**55.32**	**190.48**	**25.70**	**0.01**	**11.60**	**283.10**

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

Sr. No	Details of dues to micro and small enterprises as defined under the MSMED Act, 2006	As at March 31, 2026	As at March 31, 2025
1	Principal amount due to suppliers registered per the MSMED Act and remaining unpaid as at year end	18.17	27.68
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	(0.06)
3	Amount of interest paid in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
4	Amount of interest due and payable for the period of delay in making payments but without adding interest specified under MSMED Act, 2006	-	-
5	The amount of interest accrued and remaining unpaid at the end of year	-	(0.06)
6	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-

20 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for tax (net)	49.62	25.00
Total other current liabilities	**49.62**	**25.00**

20a Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities	30.71	43.45
Advance from customers	97.48	7.35
Unearned revenue	46.41	91.79
Unpaid dividend on Preferences Shares	0.04	0.04
Total other current liabilities	**174.64**	**142.63**

21 Income tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Pertaining to profit for the current year	252.56	245.55
Deferred tax (net of MAT)	(3.73)	19.03
Prior year tax	36.38	-
Income tax expense	**285.21**	**264.58**
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	906.70	872.11
Tax at the Indian tax rate of 25.168% (2024-25 - 27.82%)	228.20	242.63

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Corporate social responsibility expenditure and others	(2.02)	0.25
Other comprehensive Income	-	0.84
Business loss set off	-	53.84
MAT balance written off	25.16	-
Impact of change in rate of tax	(11.44)	-
Prior year taxes	36.38	-
Others	8.93	(32.98)
Total	**57.01**	**21.95**
Net current tax expenses recognised in Statement of Profit & loss	**285.21**	**264.58**

22 Deferred Tax (net)

(a) Breakup of deferred tax liability:

Particulars	As at March 31, 2026	As at March 31, 2025
Net Deferred tax (assets)/liabilities**	**148.93**	**119.96**
Deferred tax assets/liabilities arise from the following:		
Tax credits available:		
MAT credit receivable	(25.16)	25.16
Deferred tax assets		
Gratuity & compensated absences	25.91	42.50
Provision for doubtful debts	87.04	91.07
Lease liabilities	134.78	178.13
	222.57	**336.86**
Deferred tax liability		
PPE depreciation and intangible amortisation	219.40	272.54
Right of use of assets	147.08	184.28
Revaluation of Property, plant and equipment	5.02	-
	371.50	**456.82**

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

(b) Movement in deferred tax (assets)/ liabilities:

Movement in deferred tax (assets)/ liabilities:	As at March 31, 2026	As at March 31, 2025
Opening deferred tax (assets) / liabilities	**119.96**	**65.36**
Mat credit entitlement	50.32	36.88
Gratuity & compensated absences	16.59	(4.74)
Provision for doubtful debts	4.03	(27.64)
Lease liabilities	43.35	127.23
Right of use of assets	(37.20)	(90.82)
Income tax business loss setoff	-	61.02
PPE depreciation and intangible amortisation	(53.14)	(47.34)
Revaluation of Property, plant and equipment	5.02	-
Closing deferred tax liability (assets)/liabilities	**148.93**	**119.96**

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

23 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of services		
Cloud hosting and managed services	3,752.44	3,574.28
Other operating revenue		
Service income	28.73	-
Total revenue from operations	**3,781.17**	**3,574.28**

A. Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract price	3,613.31	3,233.85
Adjustments for:		
Unbilled revenue	122.48	432.22
Unearned revenue	45.38	(91.79)
Revenue from operation	**3,781.17**	**3,574.28**

B. Disaggregation of revenue by geography:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
India	3,539.85	2,743.37
Outside India	241.32	830.91
Total	**3,781.17**	**3,574.28**

C. Disaggregation by nature of services:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cloud hosting and managed services	3,752.44	3,574.28
Service income	28.73	-
Total	**3,781.17**	**3,574.28**

D. Timing of revenue recognition:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Services transferred over time	3,539.05	3,293.14
Point in time (delivery to customer)	242.12	281.14
Total	**3,781.17**	**3,574.28**

E. Contract balances:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade receivables	913.28	984.93
Unbilled revenue	554.70	432.22
Unearned revenue	46.41	91.79
Advance from customers	97.48	7.35

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

24 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income from:		
Deposits with banks	31.72	39.28
Income tax refund	-	6.28
Loan to subsidiaries - PL	26.68	2.25
Foreign exchange fluctuation gain (net)	14.26	-
Fair value gain on investments	2.69	1.29
Profit on sale of asset	3.74	0.78
Unwinding of discount on security deposits	1.62	0.72
Cessation of lease liabilities	-	104.93
Miscellaneous income	10.97	5.52
Total other income	**91.68**	**161.05**

25 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	833.21	878.89
Contribution to provident and other funds	23.79	26.38
Employee stock option scheme	46.14	2.25
Staff welfare expenses	24.96	29.85
Total employee benefit expense	**928.10**	**937.37**

26 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on:		
- Borrowings	50.98	125.92
- Lease liabilities	54.59	81.65
- MSME	-	0.06
Bank charges	9.64	6.84
Other borrowing costs	2.69	4.16
Total finance costs	**117.90**	**218.63**

27 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment	530.33	463.91
Amortisation of intangible assets	4.06	20.50
Amortisation of right-of-use asset	100.19	123.02
Total depreciation and amortisation expense	**634.58**	**607.43**

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

28 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Membership and subscription charges	217.56	206.80
Power and fuel charges	211.70	197.43
Project servicing cost	259.58	190.43
Communication expenses	125.97	90.38
Expected credit loss allowance	24.37	99.27
Charge for non-performance of obligation	57.18	-
Legal and professional charges	81.49	91.49
Contract fulfillment costs	28.24	16.87
Advertisement and sales promotion	46.71	35.80
Travel and conveyance	46.37	40.23
Contract labour charges	30.71	30.19
Rates and taxes	20.53	3.76
Rental charges	26.70	8.94
Office expenses	13.96	7.01
Directors sitting fees	2.75	3.54
Commission/Brokerage	29.23	23.52
Insurance	17.47	14.20
Repairs and maintenance:		
Computers	1.18	0.35
Buildings	18.88	-
Others	8.53	13.33
Foreign exchange fluctuation loss (net)	-	9.03
Corporate social responsibility expenditure [Refer note no:38]	6.59	0.91
Auditor's remuneration	2.08	3.23
Miscellaneous expenses	7.79	11.63
Total other expenses	**1,285.57**	**1,098.34**

Auditor's remuneration

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As Auditor:		
Statutory audit	2.08	2.80
Tax audit fee	-	0.23
Other services	-	0.20
Total	**2.08**	**3.23**

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

29 Earnings per share

(a) Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Basic earnings per equity share		
Profit attributable to equity shareholders of the Company	621.49	607.57
Weighted average number of equity shares	10,04,27,753	9,53,68,874
Basic earnings per share	**6.19**	**6.37**
(ii) Diluted earnings per equity share		
Profit attributable to equity shareholders of the Company	621.49	607.57
Weighted average number of equity shares (including potential shares)	10,22,82,753	9,53,68,874
Diluted earnings per share	**6.08**	**6.37**

(b) Weighted average number of shares used as denominator

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**10,04,27,753**	**9,53,68,874**
Adjustments for calculation of diluted earnings per share:		
Number of ESOPS	18,55,000	-
Weighted average number of equity shares and potential shares used as the denominator in calculating diluted earnings per share	**10,22,82,753**	**9,53,68,874**

30 Contingent liabilities and commitments

i) Capital commitments

Particulars	March 31, 2026	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances)	174.44	262.59

ii) Contingent liabilities (to the extent not provided for)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Claims against the Company not acknowledged as debts		
Other matters [Refer iii (b)]	2.62	2.62
Guarantees excluding financial guarantees		
Performance Bank guarantees given to customers	526.04	472.27
Tax litigations		
GST demands on improper availment of ITC for the years 2019-20 to 2020-21	23.01	10.09
Total	**551.67**	**484.98**

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

ii) Other Matters

a) In 2022, Mr Rajeev Papneja an ex-employee of the Company has filed the petition in Bombay high court alleging that an oral contract was agreed with the Company for issuance of certain number of shares under ESOP owing to services rendered by him to the Company, claim amounting to ₹ 184.80 million. The Company has filed an application before the bombay high court challenging its jurisdiction to adjudicate the matter.

The Company does not foresee any probable outflow in respect of the above matters and accordingly has not specifically disclosed the quantum under contingent liability.

b) In Feb 2022, Company has received a legal notice from Sara Infoway ITES India for non-payment of outstanding dues of ₹ 15.38 million (including interest @ 18% p.a. of Rs 2.34 million/-). Additionally, an amount of ₹ 0.30 million /- is being sought as advocate fee for serving the legal notice. As per books of account of the Company, outstanding dues of ₹ 13.06 million are being reflected. As of now, the Company is carefully reviewing the vendor's claims and assessing its legal obligations in this matter. The Company is actively exploring options for resolving the dispute, which may include negotiations, seeking legal advice, or pursuing a settlement to mitigate any financial impact.

31 Related party disclosures

Related Party	Relation
Individuals having Significant influence over Reporting Entity(RE)	
Piyush Somani	Chairman and Managing Director
Relatives of such individuals:	
Pooja Somani	Sister of Chairman and Managing Director
Prajakta Somani Jadhav	Sister of Chairman and Managing Director
Key Managerial Personnel (KMP)	
Komal Somani	Whole Time Director (w.e.f July 28, 2021)
Jitendra Pathak	Whole Time Director (w.e.f February 04, 2025)
Nadukuru Sita Ramaiah	Chief Financial Officer (From October 31, 2022)
T.G. Dhandapani	Independent Director (from July 28, 2021)
Venkatesh Natarajan	Independent Director (from July 01, 2023)
Pamela Kumar	Independent Director (from July 28, 2021)
Prasad Deokar	Compliance Officer and Company Secretary (From July 13, 2022)
Entities that are parent, subsidiary, fellow subsidiary of RE	
ESDS Internet Services Private Limited	Subsidiary Company (50% holding of ESDS Software Solution Limited) (Ceases to be subidiary from August 29, 2024)
ESDS Global Software Solution Inc.	Wholly owned Subsidiary Company
ESDS Cloud FZ LLC	Wholly owned Subsidiary Company
Spochub Solutions Private limited	Subsidiary Company (99% holding of ESDS Software Solution Limited)
Individual RP having control/JC over another entity (having transaction with the Company)	
Great Ideas in Action LLP	Komal Somani: Designated partner

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

31 Related party disclosures

I Nature of transactions and amounts

Nature of Transactions			Amount	
			For the year ended March 31, 2026	For the year ended March 31, 2025
A)	**Salaries and allowances**			
	i)	Key Managerial Personnel (KMP)		
		Prasad Deokar	2.12	1.40
		Nadukuru Sita Ramaiah	5.40	7.14
	ii)	Relatives of KMP		
		Prajakta Somani Jadhav	0.45	2.50
		Pooja Somani	1.14	1.14
B)	**Director remuneration to KMP**			
	Komal Somani		7.77	5.43
	Piyush Somani		14.67	10.78
	Jitendra Pathak		14.76	9.79
C)	**Loans and Advances (net of interest)**			
	Loans given to ESDS Cloud FZ LLC		-	399.50
	Loans recovered from ESDS Cloud FZ LLC		363.39	-
D)	**Operating and other expenses**			
	i)	Subsidiary		
		ESDS Internet Services Private Limited	-	43.31
E)	**Director sitting fees**			
	T.G. Dhandapani		0.93	1.37
	Pamela Kumar		0.89	0.95
	Venkatesh Natarajan		0.93	1.23
F)	**Professional Fees**			
	T.G. Dhandapani		-	0.12
	Venkatesh Natarajan		-	0.12
G)	**Rental income**			
	i)	Subsidiary		
		ESDS Internet Services Private Limited	-	0.06
H)	**Interest Income**			
	i)	Subsidiary		
		ESDS Cloud FZ LLC	26.68	2.25
I)	**Service income**			
	i)	Subsidiary		
		Spochub Solutions Private Limited	28.73	-
J)	**Investment in Subsidiary**			
	Investment in Subsidiary (ESDS Cloud FZ LLC)		-	385.99
K)	**Gratuity and Leave encashment Liability transfer**			
	Spochub Solutions Private Limited		25.84	-
L)	**Employee Stock Option Reserve**			
	Spochub Solutions Private Limited		1.33	-

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

II Outstanding receivable/(payable) balances

Nature of Transactions			Outstanding balances for period ended	
			As at March 31, 2026	As at March 31, 2025
A)	**Loans and advances**			
	i)	**Subsidiary**		
		ESDS Cloud FZ LLC	42.94	390.29
B)	**Other receivables**			
	i)	**Subsidiary**		
		Spochub Solutions Private Limited	4.22	-
		ESDS Global Software Solution Inc	3.61	2.89
C)	**Director Sitting Fees Payable**			
	T.G. Dhandapani		-	0.32
	Pamela Kumar		-	0.28
	Venkatesh Natarajan		-	0.32
D)	**Payables**			
	i)	**Individuals having control over another entity**		
		Great Ideas in Action LLP	-	0.63
E)	**Investment in subsidiaries**			
	Equity Shares of ESDS Global Software Solution Inc		0.07	0.07
	Equity Shares of ESDS Cloud FZ LLC		386.19	386.19
	Equity Shares of Spochub Solutions Private Limited		0.20	0.20

III Terms and conditions for outstanding balances

All Outstanding balances are unsecured and payable in cash.

32 Employee benefit obligations

A. Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company has no obligation other than to make the specified contribution. The contribution is charged to Statement of Profit and Loss as it accrues. The amount recognised as an expense towards contribution to Provident Fund for the period aggregated to ₹ 23.59 million (March 31, 2025: 26.14 million) and other funds to ₹ 0.20 million (March 31, 2025: 0.24 million).

B Defined benefit plan

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

Notes to the Standalone Financial Statements
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(All amounts are in Rupees million, unless otherwise stated)

(a)	Movements in the present value of the defined obligation are as follows:	As at March 31, 2026	As at March 31, 2025
	Obligation at the beginning	**95.07**	**77.02**
	Current service cost	13.69	19.47
	Past service cost	2.25	-
	Interest expense	7.13	5.20
	Transfer In / (out)	(18.39)	-
	Benefits paid	(8.37)	(9.64)
	Actuarial losses (gains) arising from change in financial assumptions	(8.58)	4.63
	Actuarial losses (gains) arising from experience adjustments	(1.42)	(1.61)
	Liability at the end	**81.38**	**95.07**

(b)	The net liability disclosed above relates to funded and unfunded plans are as follows:	As at March 31, 2026	As at March 31, 2025
	Present value of funded obligations	-	-
	Fair value of plan assets	-	-
	Deficit of funded plans	**-**	**-**
	Unfunded plans	81.38	95.07
	Deficit of Gratuity Plan	**81.38**	**95.07**

(c) Expenses recognised in the Statement of Profit and Loss under employee benefit expenses.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service cost	15.94	19.47
Net interest (income)/expense	7.13	5.20
Net gratuity expense	**23.07**	**24.67**

(d) Expenses recognised in statement of other comprehensive income:

Remeasurement	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement for the year - obligation (gain)/loss	(10.00)	3.02
Total Remeasurement Cost/(credit) for the year recognised in OCI	**(10.00)**	**3.02**

(e) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:	For the year ended March 31, 2026	For the year ended March 31, 2025
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	7.50%	6.75%
Rate of growth in compensation level	7.00%	7.00%
Expected average remaining working lives of employees (in years)	60 years	60 years
Attrition rate*	5% to 1%	5% to 1%

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	Defined benefit obligation	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) 1% increase in discount rate	71.37	82.63
(ii) 1% decrease in discount rate	92.93	110.18
(iii) 1% increase in rate of salary escalation	92.87	109.98
(iv) 1% decrease in rate of salary escalation	71.24	82.55
(v) 1% increase in rate of withdrawal	81.88	94.76
(iv) 1% decrease in rate of withdrawal	80.81	95.41

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to the defined benefits plan in future year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Year 1	1.50	2.00
Year 2	2.95	3.10
Year 3	2.85	3.25
Year 4	2.75	2.88
Year 5	2.66	3.65
Year 6 to 10	5.39	12.68

Liability Risks

Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralise valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Asset Risks

The Group does not have any investment in plan assets, as the gratuity plan is a non funded plan. In case of any liability arises on account of gratuity, the group will pay off the amount from the available sources of funds.

Notes to the Standalone Financial Statements
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(All amounts are in Rupees million, unless otherwise stated)

33 Fair value measurements

The carrying amounts of financial assets and liabilities by categories

Particulars	As at March 31, 2026		As at March 31, 2025	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Non- current financial assets				
Investments				
- in subsidiaries	-	386.46	-	386.46
- in mutual funds	45.45	-	42.76	-
Other financial assets	-	194.23	-	185.86
Current financial assets				
Trade receivables	-	1,467.98	-	1,417.15
Cash and cash equivalents	-	38.69	-	190.48
Other financial assets	-	498.09	-	759.99
Total financial assets	**45.45**	**2,585.45**	**42.76**	**2,939.94**
Financial liabilities				
Non-current financial liabilities				
Non-current borrowings	-	284.17	-	405.97
Lease liabilities	-	375.81	-	499.89
Current financial liabilities				
Current borrowings	-	145.00	-	221.16
Lease liabilities	-	159.72	-	140.40
Trade payables	-	379.05	-	283.10
Other financial liabilities	-	111.03	-	392.94
Total financial liabilities	**-**	**1,454.78**	**-**	**1,943.46**

The management assessed that the fair value of cash and cash equivalents, borrowings, lease liabilities, trade receivables, trade payables and other financial assets and other financial liabilities approximate their carrying amounts, largely due to the short term nature of these balances.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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

As at March 31, 2026

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Investments			-	-
- in mutual funds	45.45	-	-	45.45
Total financial assets	**45.45**	**-**	**-**	**45.45**

As at March 31, 2025

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- in mutual funds	42.76	-	-	42.76
Total financial assets	**42.76**	**-**	**-**	**42.76**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous period.

34 Financial risk management

The Company's principal financial liabilities comprises of borrowings, lease liabilities, trade and other payables (including capital creditors). The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans given, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to the following risks from the use of financial instruments:

(a) credit risk,

(b) liquidity risk, and

(c) market risk,

(i) foreign currency exchange risk, and

(ii) interest rate risk.

The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Credit Risk

The Company is exposed to credit risk as a result of counterparties defaulting their obligations. The Company's exposure to credit risk primarily relates to trade receivables. The Company monitors and limits its exposure to credit risks on a reasonable basis. The Company's credit risk is associated with Trade receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, the Company yearly reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.

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

Financial instruments that are subject to such risks, principally consist of trade receivables,contract assets such as unbilled revenue, loans to subsidiaries, security deposits and cash and bank balances. None of the financial instruments of the Company results in material concentration of credit risk.

- Trade receivables/contract assets

  Customer credit risk is managed by the Company subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, ""Financial Instruments"" which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.

  To measure the expected credit loss, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Company has therefore concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

  The historical rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

Reconcilation of loss allowance and credit impairment provisions

Particulars	Amount
Loss allowance as at March 31, 2024	**228.02**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the Year	-
: Provision for the Year	99.35
: Reversal of excess provision	-
Loss allowance as at March 31, 2025	**327.37**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the Year	
: Provision for the Year	24.37
: Reversal of excess provision	(5.89)
Loss allowance as at March 31, 2026	**345.85**

Loss allowance matrix

Ageing Bucket	% of ECL
<= 60 days	0.00%
61 to 90 days	25.00%
91 to 180 days	30.00%
181 to 365 days	50.00%
Above 365 days	100.00%

(b) Liquidity Risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The Company monitors and manages the liquidity risk to ensure access to sufficient fund to meet operational and financial requirements. The Company has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the Company's liquidity risk , the Company's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

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

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their undiscounted contractual maturities.

As at March 31, 2026

Particulars	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	284.17	-	284.17
Lease liabilities	-	231.49	144.32	375.81
Current financial liabilities				
Current borrowings	145.00	-	-	145.00
Lease liabilities	159.72	-	-	159.72
Trade payables	379.05	-	-	379.05
Other financial liabilities	111.03	-	-	111.03
Total	**794.80**	**515.66**	**144.32**	**1,454.78**

As at March 31, 2025

Particulars	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	341.80	64.17	405.97
Lease liabilities	-	272.03	227.86	499.89
Current financial liabilities				
Current borrowings	221.16	-	-	221.16
Lease liabilities	140.40	-	-	140.40
Trade payables	283.10	-	-	283.10
Other financial liabilities	392.94	-	-	392.94
Total	**1,037.60**	**613.83**	**292.03**	**1,943.46**

(c) Market risk

Market risk is the risk of any loss in the future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change due to change in interest rates, foreign currency exchange rates, liquidity, and other market changes. Future specific market movements cannot be market predicted with reasonable accuracy.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities on account of export of services and foreign expenditure. The Company at present does n0t enter into any foreign currency futures or hedging to minimise the risk, as such transactions are naturally hedged.

The foreign exchange rate fluctuations do not have any material impact on the profitability of the Company as such exports and foreign currency expenditure is negligible in totality.

The Company deals with receivables from customers and payables to vendors. It is therefore exposed to foreign exchange risk associated with exchange rate movements.The foreign exchange rate fluctuations do not have any material impact on the profitability of the Company as such exports and foreign currency expenditure is negligible in totality.

There are no forward exchange contracts which have been entered into by the Company as at the reporting dates.

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

Details of foreign currency exposures that are not hedged by a derivatives instrument or otherwise:

Particulars	March 31, 2026	March 31, 2025
Receivables (asset)		
USD	0.03	-
GBP	0.07	0.07
Payables (liability)		
USD	0.02	0.02
Loan (given)		
USD	0.04	0.03
AED	1.68	16.90

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or the 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 group's debt obligations with floating interest rates.

Interest rate exposure: The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on variable rate borrowings	50.98	125.92

Sensitivity analysis

Profit or loss to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	March 31, 2026	March 31, 2025
If interest rates -		
Increase by 1%	0.51	1.26
Decrease by 1%	(0.51)	(1.26)

35 Share based payments

1 ESOP Scheme 2021

(a) Description of share based payment arrangements

On August 9, 2021, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2021. These options are granted to eligible employees of the Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of ₹ 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of The Company for every option. Options will be available for vesting upon successful completion of service during the vesting period. The options were granted on August 30, 2021.

Additionally, 78,500 options were granted during the year having vesting period of one year from date of grant.

Vesting conditions

Options can be exercised within 4 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
30 August 2022	50%
30 August 2023	20%
30 August 2024	20%
30 August 2025	10%

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

(b) Measurement of fair values

Vesting	Exercise price	Expected volatility	Risk free rate	Expected life	Weighted average fair value as at grant date	Method of valuation
30 August 2022	65	20.33%	5.65%	3 to 6 years	10.60	Black – Scholes Model
30 August 2023	65	20.33%	5.65%	3 to 6 years	13.38	Black – Scholes Model
30 August 2024	65	20.33%	5.65%	3 to 6 years	15.96	Black – Scholes Model
30 August 2025	65	20.33%	5.65%	3 to 6 years	18.35	Black – Scholes Model

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee stock ownership plan expense	0.55	1.48

During the year ended March 31, 2026, 21,000 ESOP options were cancelled, and there were no modifications to the options.

The carrying amount of the liability in respect of the Employee Stock Ownership Plan as at March 31, 2026 was ₹ 2.18 million (March 31, 2025: ₹ 17.55 million). During the year ended March 31, 2026, ₹ 11.20 million was transferred to free reserves upon the exercise of options.

(d) Reconciliation of outstanding share options

The number share options under the share option scheme are as follows

Particulars	As at March 31, 2026	As at March 31, 2025
Options outstanding at the beginning	9,97,140	12,77,000
Add: Options granted	78,500	-
Less: Options cancelled or lapsed	21,000	1,34,000
Less: Options exercised	8,50,340	1,45,860
Options outstanding at the end	**2,04,300**	**9,97,140**

2 ESOP Scheme 2024

(a) Description of share based payment arrangements

On December 6, 2024, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2024. These options are granted to eligible employees of the Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of ₹ 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of the Company for every option. Options granted under the Plan shall vest within a specified time period or on achievement of certain performance milestones or both subject to a minimum Vesting Period of one year. The options were granted on February 28, 2025.

Additionally, 40,000 options were granted during the year having vesting period of one year from date of grant.

Vesting conditions

Options can be exercised within 3 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
March 1, 2026	10%
March 1, 2027	30%
March 1, 2028	40%
March 1, 2029	20%

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

(b) Measurement of fair values

Vesting	Exercise price	Expected volatility	Risk free rate	Expected life (in years)	Weighted average fair value as at grant date	Method of valuation
March 1, 2026	225	18.45%	6.56%	2.5	44.83	Black – Scholes Model
March 1, 2027	225	20.03%	6.59%	3.5	58.56	Black – Scholes Model
March 1, 2028	225	20.09%	6.64%	4.5	69.71	Black – Scholes Model
March 1, 2029	225	22.93%	6.69%	5.5	83.73	Black – Scholes Model

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee stock ownership plan expense	45.59	0.77

During the year ended March 31, 2026, 2,35,000 ESOP options were cancelled, with no modifications made to the remaining options.

Additionally, 68,000 ESOP options were transferred to a subsidiary pursuant to an employee transfer arrangement between ESDS Software Solution Limited and Spochub Software Solutions Limited. The related ESOP expenses for the transferred options have been recognised in the subsidiary's books amounting to ₹1.33 million.

The carrying amount of the liability relating to the Employee Stock Ownership Plan as at March 31, 2026 was ₹ 52.41 million (March 31, 2025: ₹ 0.77 million)

(d) Reconciliation of outstanding share options

Particulars	As at March 31, 2026	As at March 31, 2025
Options outstanding at the beginning	20,50,000	-
Add: Options granted	40,000	20,60,000
Less: Options cancelled or lapsed	2,35,000	10,000
Less: Options exercised	-	-
Options outstanding at the end	**18,55,000**	**20,50,000**

36 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximise brand value.

The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions.

The Company monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long-term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting Year was as follows.

Particulars	As at March 31, 2026	As at March 31, 2025
Debt*	429.17	627.13
Cash and cash equivalents	(38.69)	(190.48)
Net debt	**390.48**	**436.65**
Shareholders' funds		
Equity share capital	100.43	100.43
Reserves and surplus	5,099.57	4,314.50
Total equity	**5,200.00**	**4,414.93**
Net debt to equity ratio	**0.08**	**0.10**
Total Debt to Equity ratio	**0.08**	**0.14**

* includes current maturity of long-term borrowing

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

37 Segment Information

Where a financial report contains both consolidated financial statements and separate financial statements of the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

38 CSR Expenditure

As per provisions of Section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.

The Company has contributed a sum of ₹ 6.59 million (March 31, 2025: ₹ 0.91 million) for the year towards this cause and charged the same to the Statement of Profit and Loss.

The gross amount required to be spent during the year ended March 31,2026 was ₹ 6.49 million.

Particulars	March 31, 2026	March 31, 2025
Contribution	6.59	1.57
Total	**6.59**	**1.57**
Amount required to be spent as per Section 135 of the Act*	6.49	1.12
Amount spent during the year on		
(i) Research centre	-	-
(ii) Promotion of healthcare including preventive healthcare	-	-
(iii) Safeguarding environmental sustainability, ecological balance and conservation of natural resources and educational purposes	6.59	1.57

Details of ongoing CSR projects under Section 135(5) of the Act

Balance as at April 01, 2025		Amount required to be spent during theyear	Amount spent during the year		Balance as at March 31, 2026	
With the Company	In separate CSR unspent account		From the Company's bank account	From separate CSR unspent account	With the Company	In separate CSR unspent account"
-	-	-	-	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Amount required to be spent during the year	Amount spent during the year	Balance unspent / (excess spent) as at March 31, 2026
6.49	6.59	(0.10)

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 01, 2025	Amount required to be spent during the year	Amount spent during the year	Balance (unspend)/excess spent as at March 31, 2026
0.66	6.49	6.59	0.76

Note: The excess CSR spent is not shown as receiveable but will be adjusted against future CSR liabilities.

39 Interest in other entities

Sr. no	Name of entity	Relation	Place of business	Principal acitivities	Ownership held by the Company	
					As at March 31, 2026	As at March 31, 2025
1	Spochub Solutions Private Limited	Subsidiary Company (99% holding of ESDS Software Solution Limited)	India	IT services	99%	100%
2	ESDS Cloud FZ LLC	Wholly owned Subsidiary Company	Dubai	IT services	100%	100%
3	ESDS Global Software Solution Inc	Wholly owned Subsidiary Company	USA	IT services	100%	100%

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

40 Disclosure of loans and advances in the nature of loans

a. Disclosure of loans given covered u/s 186(4) of the Companies Act, 2013

Sr. no	Name of entity	Relation	Amount outstanding as at March 31, 2026
1	ESDS Cloud FZ LLC	Wholly owned Subsidiary Company	42.94

Note: Loans to subsidiaries have been given for the purpose of working capital requirements.

b. The Company has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel or related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, which are repayable on demand or without specifying any terms or period of repayment.

41 Ratios analysis

	Ratios		As at March 31, 2026			As at March 31, 2025			
Sr. No.	Particulars	Formulae used for calculation of ratio	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Change in Ratio
a)	Current ratio	Current Assets/Current Liabilities	2,499.13	1,042.14	2.40	2,709.98	1,256.83	2.16	11.22%
b)	Debt-Equity Ratio	(Non-current borrowings+ Current borrowings)/Total Equity	429.17	5,200.00	0.08	627.13	4,531.64	0.14	(40.36%)
c)	Debt Service Coverage Ratio	^EBIDTA/Current Debt obligation	1,567.50	145.00	10.81	1,538.57	221.16	6.96	55.39%
d)	Return on Equity Ratio	Profit after tax/Average Shareholders Equity	621.49	4,865.82	12.77%	607.63	3,542.38	17.15%	(25.54%)
e)	Trade Receivables turnover ratio	Revenue from operations/Average billed trade receivables	3,781.17	949.10	3.98	3,574.28	835.19	4.28	(6.91%)
f)	Trade payables turnover ratio	(Purchase of goods + Other expenses)/Average trade payables	1,285.57	331.08	3.88	1,098.34	255.02	4.31	(9.84%)
g)	Net capital turnover ratio	Revenue from operations/(Current assets- Current liabilities)	3,781.17	1,456.99	2.60	3,574.28	1,453.15	2.46	5.51%
h)	Net profit ratio	Profit after tax/ Revenue from operations	621.49	3,781.17	0.16	607.63	3,574.28	17.00%	(3.32%)
i)	Return on capital employed	^^EBIT/Capital employed (tangible net worth + total debt + deferred tax liability)	1,024.60	5,063.34	0.20	1,092.19	4,525.80	24.13%	(16.15%)
j)	Return on investment	^^EBIT /Average Capital employed	1,024.60	4,865.82	21.06%	1,069.57	4,334.62	0.25	(14.66%)

^ EBITDA: Profit /(loss) before exceptional items + Finance Cost + Depreciation and Amortization - Other Income

^^ EBIT: Profit /(loss) before exceptional items + Finance Cost

Reasons for change more than 25% from previous year

a) **Debt-Equity Ratio:** The debt–equity ratio declined significantly during the current period, primarily due to the repayment of outstanding borrowings.

b) **Debt Service Coverage Ratio:** The increase in the Debt Service Coverage Ratio is attributable to higher Earnings Before Interest, Taxes, Depreciation, and Amortization and a reduction in current borrowings due to repayments.

c) **Return on Equity Ratio:** The decrease in the Return on Equity (ROE) ratio was primarily due to an increase in average shareholders' equity without a proportionate growth in Profit After Tax (PAT).

42 Additional regulatory disclosures

i) Title deeds of Immovable Property are held in the name of company wherever applicable.

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

iii) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

iv) The Company does not have any relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

v) The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.

vi) The Company has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial year/period.

vii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

viii) There were no whistle blower complaints received by the Company during the year.

ix) There company does not have any transactions which are not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the current year and previous year.

x) The Company does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

xi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

xii) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xiii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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

xiv) The Company has borrowings secured against current assets and statements of current assets filed by the Company with banks are not in agreement with the books of account subject to the following differences along with the reasons for these differences.

Quarter ended	As per the accounting records	As per stock statement	Difference	Remarks
June 30, 2025	648.76	674.41	(25.65)	This is due to quarterly adjustment entries posted.
September 30, 2025	528.92	526.99	1.93	This is due to quarterly adjustment entries posted.
December 31, 2025	589.39	582.39	7.00	This is due to quarterly adjustment entries posted.
March 31, 2026	711.26	806.95	(95.69)	This is due to quarterly adjustment entries posted.

Note: Receivables reported above relate to balances outstanding for less than 120 days.

Notes to the Standalone Financial Statements
for the year ended 31 March 2026

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

43 The Code on Social Security, 2020:

During the year ended 31 March 2026, the Central Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', effective from 21 November 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity and leave encashment.

44 Previous period figures have been regrouped/reclassified wherever necessary to confirm the current periods presentation.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Independent Auditor's Report

To the Members of ESDS Software Solution Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of ESDS Software Solution Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements of the Group 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 read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2026, and of consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and its consolidated statement of cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Director's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the Consolidated Financial Statements of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Management and 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 for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, 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 Group 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 intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matter:

a. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 12,542.63 million as at March 31, 2026, total revenues of ₹ 849.49 million and net cash flows amounting to ₹ 12,351.51 million 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 is based solely on the reports of the other auditors.

b. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 158.52 million as at March 31, 2026, total revenues of ₹ 120.17 million and net cash flows amounting to ₹ (361.49) million for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Both of the above subsidiaries are located outside India, and the financial statements have been prepared in accordance with accounting principles generally accepted in it's country. The Holding Company's management has converted the financial statements of this subsidiary located outside India from accounting principles generally accepted in it's country to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the management's signed financial statements and the underlying conversion adjustments, which have not been subject to audit.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

c. The consolidated financial statements of the Company for the year ended March 31, 2025, were audited by previous auditor whose report dated August 12, 2025 expressed an unmodified opinion on those statements.

Independent Auditor's Report

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 other auditors on the Separate financial statements of the 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 have been kept by the Group companies so far as it appears from our examination of those books, except that in the absence of sufficient appropriate audit evidence with respect to an accounting software being used for the purpose of billing and managing customer records of Holding Company, we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis and except for the matter stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g).

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies are disqualified as at March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g)

g. With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group, and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 31 to the Consolidated Financial Statements.

ii. The Group companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. a. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, 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 Holding Company or any of such subsidiaries, to or in any other person or entity, including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company 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 Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries, from any person or entity, including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on 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, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' 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 mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. In regard to the accounting software:

Based on our examination which included test checks, the Holding and Subsidiary Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level to log any direct data changes. Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in those years.

In regard to the payroll software:

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

In regard to the software used for the purpose of billing and managing customer records:

Based on our examination which included test checks, the Holding Company has used an accounting software for billing and managing customer records. However, in the absence of sufficient and appropriate audit evidence, we are unable to comment whether such software has a feature of recording audit trail (edit log) facility, and whether the audit trail feature has been operated throughout the year for all relevant transaction recorded in the software. Further, we are also unable to comment whether there is any instance of audit trail feature being tampered with or whether the audit trail of prior year has been preserved by the Holding Company as per the statutory requirements for record retention for reasons explained above.

Independent Auditor's Report

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group, to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries included in the Consolidated Financial Statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks, except as below :

Sr. No	Name of the Company	CIN	Type of Company (Holding /Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1.	ESDS Software Solution Limited	U72200MH2005PLC155433	Holding	ii(b) and vii(b)
2.	Spochub Software Solutions Limited	U72900MH2021PTC355918	Subsidiary	NA

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877JTNZFH3341

Place: Pune
Date: May 27, 2026

Independent Auditor's Report

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ESDS SOFTWARE SOLUTION LIMITED FOR THE YEAR ENDED MARCH 31, 2026

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company 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 and Board of Directors.

- Conclude on the appropriateness of the management and Board of Directors 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 or business activities 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 other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company 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 control that we identify during our audit.

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

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877JTNZFH3341

Place: Pune
Date: May 27, 2026

Independent Auditor's Report

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ESDS SOFTWARE SOLUTION LIMITED

[Referred to in paragraph1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of **ESDS Software Solution Limited** on the Consolidated Financial Statements for the year ended March 31, 2026.

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")

Opinion

In conjunction with our audit of the consolidated financial statements of the ESDS Software Solution Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and it's subsidiaries (Holding Company and its subsidiaries together referred to as "the Group").

In our opinion, and 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 on internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group, 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, 2026, based on the internal financial controls with reference to 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 consolidated 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 in terms of their reports referred to in the Other Matter 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 Group, which are companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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 one subsidiary company which is incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877JTNZFH3341

Place: Pune
Date: May 27, 2026

Consolidated Balance Sheet

as at March 31 2026

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

Particulars	Note	March 31, 2026	March 31, 2025
I ASSETS			
I. Non-current assets			
Property, plant and equipment	3	3,164.12	2,850.00
Right-of-use assets	4	584.41	662.43
Capital work-in-progress	5	39.92	-
Other intangible assets	6	130.35	12.70
Financial assets			
Investments	7	45.45	42.76
Other financial assets	8	186.50	182.97
Income tax assets (net)	9	23.60	23.60
Other non-current assets	10	63.26	33.60
Total non-current assets		**4,237.61**	**3,808.06**
II. Current assets			
Financial assets			
Trade receivables			
Billed	11	1,021.26	997.56
Unbilled	11	633.93	437.28
Cash and cash equivalents	12	12,533.85	606.79
Other financial assets	8	456.33	366.81
Other current assets	13	496.06	343.00
Total current assets		**15,141.43**	**2,751.44**
Total assets		**19,379.04**	**6,559.50**
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	100.43	100.43
Other equity			
Reserves and surplus	15	5,336.16	4,075.38
Equity attributable to owners of ESDS Software Solution Limited		**5,436.59**	**4,175.81**
Non-controlling interest	39	5.40	-
Total equity		**5,441.99**	**4,175.81**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
Non-current borrowings	16	284.17	405.97
Lease liabilities	4	375.81	499.89
Employee benefit obligations	18	96.94	93.07
Deferred tax Liability (net)	23	142.89	116.49
Total non-current liabilities		**899.81**	**1,115.42**
II. Current liabilities			
Financial liabilities			
Current borrowings	16	145.00	221.16
Lease liabilities	4	159.72	140.40
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	19	18.17	27.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	19	370.76	262.58
Other financial liabilities	17	126.64	395.12
Employee benefit obligations	18	30.07	51.80
Current tax liabilities (net)	20	229.71	25.00
Other current liabilities	21	11,957.17	144.53
Total current liabilities		**13,037.24**	**1,268.27**
Total liabilities		**13,937.05**	**2,383.69**
Total equity and liabilities		**19,379.04**	**6,559.50**

Material accounting policies 2

The accompanying notes form an integral part of consolidated financial statements.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31 2026

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

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from operations	24	4,722.10	3,613.35
Other income	25	84.42	153.06
I Total income		**4,806.52**	**3,766.41**
Expenses			
Employee benefit expenses	26	1,044.20	941.27
Finance costs	27	117.90	252.49
Depreciation and amortisation expenses	28	634.63	622.06
Other expenses	29	1,335.56	1,123.24
II Total expenses		**3,132.29**	**2,939.06**
III Profit before exceptional items		**1,674.23**	**827.35**
Exceptional Items		-	1.41
Profit before tax (I-II)		**1,674.23**	**825.94**
Income tax expense			
Current tax	22	432.65	245.55
Prior year taxes	22	36.38	(73.92)
Deferred tax	22	(3.03)	98.20
IV Total income tax expense		**466.00**	**269.83**
V Profit for the period [A] (III-IV)		**1,208.23**	**556.11**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gain/(loss) on remeasurement of post-employment benefit plans	33	13.07	(3.02)
Income tax relating to above		(3.29)	0.85
		9.78	**(2.17)**
Items that will be reclassified to profit or loss			
Gain on foreign exchange differences on translation of foreign operations		8.79	(10.34)
VI Total other comprehensive income for the period, net of tax [B]		**18.57**	**(12.51)**
VII Total comprehensive income for the period [A+B]		**1,226.80**	**543.60**
Profit is attributable to:			
Owners of ESDS Software Solution Limited		1,202.83	556.11
Non-controlling interest		5.40	
		1,208.23	**556.11**
Other comprehensive income is attributable to:			
Owners of ESDS Software Solution Limited		18.57	(12.51)
Non-controlling interest		-	-
		18.57	**(12.51)**
Total comprehensive income is attributable to:			
Owners of ESDS Software Solution Limited		1,221.40	543.60
Non-controlling interest		5.40	-
		1,226.80	**543.60**
Basic (face value of equity shares : INR 1 per share)		12.03	5.54
Diluted (face value of equity shares : INR 1 per share)		11.81	5.54

Material accounting policies

The accompanying notes form an integral part of consolidated financial statements.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Consolidated Statement of Cash flows

for the year ended March 31, 2026

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

Sr. no	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
I	**Cash flows from operating activities**		
	Profit / before tax	1,674.23	825.94
	Adjustments for		
	Depreciation and amortisation expense	634.63	622.06
	(Gain)/Loss on disposal of property, plant and equipment	(3.74)	(0.78)
	Expected Credit loss allowance	24.37	99.27
	Balance write back	(8.05)	(1.82)
	Interest income	(53.59)	(40.00)
	Finance costs excluding bank charges	108.26	252.49
	Unrealised gain on mutual fund	(2.69)	-
	Employee stock option expenses	47.47	2.25
	Unrealised exchange (gain)/loss	-	9.09
	Cessation of lease liabilities	1.44	(104.93)
	NCI loss in control	-	5.69
	Operating profit before working capital changes	**2,422.33**	**1,669.26**
	Changes in working capital		
	(Increase) / decrease in trade receivables	(244.72)	(337.97)
	(Increase) / decrease in other current and non current financial assets	20.74	133.18
	(Increase) / decrease in other current and non current assets	(206.50)	(195.40)
	Increase / (decrease) in trade payables	106.27	59.18
	Increase / (decrease) in employee benefit obligations	(8.08)	16.91
	Increase/ (decrease) in other current and non current financial liabilities	14.39	293.92
	Increase/ (decrease) in other current and non current liabilities	11,812.64	36.08
	Cash generated from operations	**13,917.07**	**1,675.16**
	Income taxes paid (net of refunds received)	(239.93)	(41.60)
	Net cash inflow/ (outflow) from operating activities	**13,677.14**	**1,633.56**
II	**Cash flows from investing activities**		
	Payments for property, plant and equipment and intangible assets	(1,258.94)	(1,134.24)
	Investment in fixed deposits with bank (net)	(110.30)	-
	Proceeds from sale of property, plant and equipment	7.43	1.53
	Interest received on fixed deposits	50.10	39.28
	Net cash flows from investing activities	**(1,311.71)**	**(1,093.43)**
III	**Cash flows from financing activities**		
	Repayment of long-term borrowing (excluding lease liabilities)	(167.49)	(441.76)
	Repayment of short term borrowing (excluding lease liabilities)	(30.47)	(421.55)
	Payment of Lease liabilities	(195.53)	(226.82)
	Interest paid on borrowings	(53.67)	(170.85)
	Fresh issue of equity shares	-	1,370.87
	Investment in Mutual Funds	-	(42.76)
IV	**Net cash inflows/ (outflow) from financing activities**	**(447.16)**	**67.13**
	Net increase / (decrease) in cash and cash equivalents	11,918.27	607.26
	Foreign currency translation impact on cash and cash equivalents	8.79	(22.94)
	Cash and cash equivalents at the beginning of the financial year	606.79	22.47
V	**Cash and cash equivalents at the end of the financial year**	**12,533.85**	**606.79**

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

Particulars	March 31, 2026	March 31, 2025
Cash and cash equivalents (Note 12)	12,533.85	606.80
Balances as per statement of cash flows	**12,533.85**	**606.80**

Material accounting policies (refer note 2)
The accompanying notes form an integral part of financial statements.
Refer note 4 for cash and non-cash movement of financing activity.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place: Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Statement of Changes in Equity

for the year ended March 31, 2026

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

A. Equity share capital

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

Particulars	Total
As at March 31,2024	92.89
Add: Issue of equity shares	7.54
As at March 31, 2025	**100.43**
Add: Issue of equity shares	-
As at September 30, 2025	**100.43**

B. Other equity

Particulars	Reserves and surplus								Non-controlling interest	Total other equity
	Securities premium account	Capital redemption reserve	Debenture Redemption Reserve	Retained earnings	Foreign currency translation reserve	Revalution reserve	Share Based Payment Reserve	Remeasurement of defined benefit liability		
As at March 31,2024	**1,704.10**	**3.58**	**75.00**	**309.83**	**(30.50)**	**100.89**	**16.07**	**(12.78)**	**6.00**	**2,172.19**
Profit for the year	-	-	-	556.11		-	-	-	-	556.11
Currency translation adjustments for subsidiaries	-	-	-	-	(10.34)	-	-	-	-	(10.34)
Transfer from Debenture redemption reserve			(75.00)	75.00				-		-
Premium on Issue of shares	1,404.84	-	-	-	-	-	-	-	-	1,404.84
Transaction Cost	(41.50)	-	-	-	-	-	-	-	-	(41.50)
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	2.50	-	(2.50)	-	-	-	-
Loss of Subsidiary Control	-	-	-	-	-	-	-	-	(6.00)	(6.00)
Other comprehensive income	-	-	-	-	-	-	-	(2.17)	-	(2.17)
Share Based Payment - Expense recognised for the period	-	-	-	-	-	-	2.25	-		2.25
Total	**1,363.34**	**-**	**(75.00)**	**633.61**	**(10.34)**	**(2.50)**	**2.25**	**(2.17)**	**(6.00)**	**1,903.19**

Statement of Changes in Equity

for the year ended March 31, 2026

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

Particulars	Reserves and surplus								Non-controlling interest	Total other equity
	Securities premium account	Capital redemption reserve	Debenture Redemption Reserve	Retained earnings	Foreign currency translation reserve	Revalution reserve	Share Based Payment Reserve	Remeasurement of defined benefit liability		
As at March 31,2025	**3,067.44**	**3.58**	**-**	**943.44**	**(40.84)**	**98.39**	**18.32**	**(14.95)**	**-**	**4,075.38**
Profit for the year	-	-	-	1,202.83	-	-	-	-	5.40	1,208.23
Currency translation adjustments for subsidiaries	-	-	-	-	8.79	-	-	-	-	8.79
Revaluation of land and building	-	-	-	-	-	-	-	-	-	-
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	-	(3.06)	-	-	-	(3.06)
Deferred tax on revaluation						(5.03)		-		(5.03)
Other comprehensive income	-	-	-	-	-	-	-	9.78	-	9.78
Transfer to/(from) share based payment reserve	-	-	-	11.20	-	-	(11.20)	-	-	-
Share Based Payment - Expense recognised for the period	-	-	-	-	-	-	47.47	-	-	47.47
Total	**-**	**-**	**-**	**1,214.03**	**8.79**	**(8.09)**	**36.27**	**9.78**	**5.40**	**1,266.18**
As at March 31, 2026	**3,067.44**	**3.58**	**-**	**2,157.47**	**(32.05)**	**90.30**	**54.59**	**(5.17)**	**5.40**	**5,341.56**

Material accounting policies (refer note 2)
The accompanying notes form an integral part of consolidated financial statements.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

1. Reporting entity

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

The Company has its registered office in Nashik and runs its business operations in five cities i.e Nashik, Mumbai, Bengaluru, Noida and Mohali.

In addition to its standalone operations, ESDS conducts certain business activities through its subsidiaries, which support its domestic and international expansion strategy:

ESDS Cloud FZ LLC - Incorporated in the United Arab Emirates, this subsidiary facilitates the Company's presence in the Middle East region and supports the delivery of cloud, managed, and IT infrastructure services to customers in international markets.

Spochub Solutions Private Limited - This subsidiary is engaged in technology-driven solutions and complements the Company's service offerings by supporting software development, digital solutions, and related IT-enabled services.

ESDS Global Software Solution Inc - Incorporated in the United States, this subsidiary strengthens the Company's global footprint and enables it to cater to customers in North America through the provision of cloud computing, software, and managed IT services.

Through these subsidiaries, ESDS has expanded its geographical reach and enhanced its capability to serve customers across multiple regions while strengthening its portfolio of cloud and IT-enabled solutions.

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group') for the year ended 31 March 2026.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2026 on May 27, 2026.

2(a) Basis of preparation of Financial Statements

(i) Statement of compliance and basis of Preparation

These consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Details of the Group material accounting policies are included in Note 2(c).

(ii) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the functional currency of the Holding Company. All amounts have been rounded-off to the nearest million to two decimal points, unless otherwise indicated.

(iii) Basis of measurement

These consolidated financial Statements have been prepared on a historical cost convention on accrual basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Defined benefit plans	Plan assets measured at fair value;

(iv) Going Concern Assumption

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

(v) Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or 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 investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the Holding Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(vi) Critical accounting judgements and key sources of estimation uncertainty

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, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated Financial Statements are included in the following notes:

a) Critical Accounting Estimates

- Note 33 – The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 3 - Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. The policy for the same has been explained under Note 2(c).
- Note 8 - The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, customer's creditworthiness, existing market conditions as well as forward-looking estimates at the end of each reporting period. The policy for the same has been explained under Note 2(c).

2(b) Changes in accounting policies and disclosures

(i) Standards issued and effective from April 01, 2025

The Ministry of corporate Affairs ("MCA") notified amendments on May 07, 2025 and August 13, 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025

- **Amendment to Ind AS 21 - Lack of exchangeability**

  The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the standalone financial statements of the Company.

- **Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants**

  The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

  a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the standalone financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

- **Amendment to Ind AS 12 – Pillar-Two Tax Reforms**

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

- **Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement**

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Company does not have any supplier finance arrangements.

(ii) New standards and amendments issued but not effective

- **Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants**

The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 01, 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

2(c) Material accounting policies

(i) Foreign currency

Foreign currency transactions and translation

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

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rates between the transaction date and settlement date are recognised in the 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 and the exchange differences are recognised in the profit and loss. 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 profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet,
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(ii) Financial Instruments

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, investments in equity & Mutual funds and eligible current and non-current assets; and
- financial liabilities, which include borrowings, trade payables, lease liability and eligible current and non-current liabilities.

(a) Recognition of Non derivative financial instruments:

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents.

The Group's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks and are considered part of the Group's cash management system.

Investments

Financial instruments measured at fair value through profit or loss ("FVTPL"):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss. The gain or loss on disposal is recognised in the statement of profit and loss.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at transaction value except trade receivable that contains significant financing component that are subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables, the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These comprise trade receivables, lease receivables, and eligible current and non-current assets. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are presented as non-current assets. All financial assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. However, trade receivables that do not contain a significant financing component are measured at the Transaction Price.

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

Trade payables and other liabilities

Trade payables are initially recognised at transaction price and subsequently carried at transaction price.

Other liabilities are initially recognised at transaction price and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value of these instruments.

(b) Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Group continues to recognise the financial asset and recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting

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

(iii) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost (cash price equivalent), which includes capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss.

Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the Group is furnished below:

Particulars	Useful lives (years)
Office buildings	60
Computers and data center equipment's	3/4/5/6/10/15
Office equipment	3/4/5/8/10/15/20
Furniture and fittings	10
Vehicles	8

Cost of leasehold land is amortised over the period of lease i.e, 80 years to 99 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions / (disposals) is provided on a pro-rata basis i.e. from / (up to) the date on which the asset is ready for use / (disposed of).

(iv) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised over its useful life on straight line basis. The estimated useful life of amortisable intangibles is reviewed and where appropriate is adjusted, annually.

The estimated useful lives of the amortisable intangible assets i.e Computer software are considered as 3 and 10 years.

(v) Impairment

i. Impairment of Financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost, trade receivables, lease receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using the effective interest rate.

Loss allowances for trade receivables, lease receivables are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes into account risk profiling of customers and historical credit loss experience adjusted for forward-looking information.

ii. Impairment of non-financial assets

The Group's non-financial assets such as property, plant and equipment, Goodwill, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss recognised for goodwill is not reversed.

(vi) Leases

The Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost. The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or

less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(vii) Employee benefits

i. Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Post-employment benefits (defined benefit plans)

The Holding company and subsidiary company incorporated in India provides for retirement benefits in the form of Gratuity. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Holding company and subsidiary company has obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding company and subsidiary company incorporated in India, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The holding company and subsidiary company incorporated in India determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Holding company and subsidiary company incorporated in India recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Defined contribution plans

The Holding company and subsidiary company incorporated in India makes defined contribution to Government Employee Provident Fund, and Superannuation Scheme, which are recognised in the Statement of Profit and Loss on accrual basis.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(viii) Revenue Recognition

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

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

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

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

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

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

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

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

Rendering of services (Turn-key revenue and Webhosting revenue)

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

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

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

give rise to the revision become known by management.

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

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

Unbilled revenue

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

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

Unearned revenue

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

Interest income

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

(ix) Dividend:

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

(x) Income tax

Income tax comprises current and deferred tax.

i. **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 Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in 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.

ii. **Deferred tax**

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated balance sheet differs from its tax base, except for differences arising on:

- The initial recognition of goodwill,
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/ (assets) are settled/(recovered).

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(xi) Provisions and Contingent Liabilities

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

(xii) Share-based payments

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

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

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

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

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

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

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

(xiii) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources.

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

(xiv) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(xv) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. 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.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

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

3 Property, plant and equipment

Particulars	Leasehold land	Leasehold improvements	Buildings	Computer and data centre equipment	Office equipments	Furniture & fixture	Vehicles	Total
Gross carrying value								
Opening gross carrying amount as at April 01, 2024	**85.70**	**53.19**	**132.52**	**2,736.51**	**457.40**	**73.21**	**45.23**	**3,583.76**
Additions	-	-	-	1,108.11	17.12	8.99	-	1,134.22
Disposals	-	-	-	-	-	-	(3.56)	(3.56)
Gross carrying amount as at March 31, 2025	**85.70**	**53.19**	**132.52**	**3,844.62**	**474.52**	**82.20**	**41.67**	**4,714.42**
Accumulated depreciation till April 01, 2024	**4.30**	**4.65**	**11.74**	**1,033.51**	**294.43**	**33.96**	**20.65**	**1,403.24**
Depreciation charge	0.77	0.93	1.57	353.30	90.96	8.83	5.14	461.50
Revaluation of assets	1.50	-	1.00	-	-	-	-	2.50
Accumulated depreciation on disposals	-	-	-	-	-	-	(2.82)	(2.82)
Closing accumulated depreciation as at March 31, 2025	**6.57**	**5.58**	**14.31**	**1,386.81**	**385.39**	**42.79**	**22.97**	**1,864.42**
Net carrying amount as at March 31, 2025	**79.13**	**47.61**	**118.21**	**2,457.81**	**89.13**	**39.41**	**18.70**	**2,850.00**

Particulars	Leasehold land	Leasehold improvements	Buildings	Computer and data centre equipment	Office equipments	Furnitures & fixtures	Vehicles	Total
Gross carrying value								
Opening gross carrying amount as on April 01, 2025	**85.70**	**53.19**	**132.52**	**3,844.62**	**474.52**	**82.20**	**41.67**	**4,714.42**
Additions	-	-	-	790.25	14.22	25.44	8.32	838.23
Reclassified from ROU assets	-	-	-	13.02	-	-	-	13.02
Disposals				-	(13.23)	-	(4.44)	(17.67)
Gross carrying amount as at March 31, 2026	**85.70**	**53.19**	**132.52**	**4,647.89**	**475.51**	**107.64**	**45.55**	**5,548.00**
Accumulated depreciation till April 01,2025	**6.57**	**5.58**	**14.31**	**1,386.81**	**385.39**	**42.79**	**22.97**	**1,864.42**
Depreciation charge	0.62	1.36	1.96	489.20	24.44	7.85	4.95	530.38
Depreciation on revaluation	1.64		1.42	-	-	-	-	3.06
Accumulated depreciation on disposals	-	-	-	-	(10.81)	-	(3.17)	(13.98)
Closing accumulated depreciation as at March 31, 2026	**8.83**	**6.94**	**17.69**	**1,876.01**	**399.02**	**50.64**	**24.75**	**2,383.88**
Net carrying amount as at March 31, 2026	**76.87**	**46.25**	**114.83**	**2,771.88**	**76.49**	**57.00**	**20.80**	**3,164.12**

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

4 Right-of-use assets and Lease liabilities

Particulars	Premises	Equipments	Total
Gross carrying value			
Balance as at April 01, 2024	1,078.08	266.02	1,344.10
Additions	23.77	-	23.77
Disposals	(467.82)	-	(467.82)
Balance as at March 31, 2025	**634.03**	**266.02**	**900.05**
Accumulated depreciation			
Balance as at April 01, 2024	**326.17**	**23.42**	**349.59**
Amortisation expenses	96.16	26.86	123.02
Disposals	(234.99)	-	(234.99)
Balance as at March 31, 2025	**187.34**	**50.28**	**237.62**
Net carrying value as on March 31, 2025	**446.69**	**215.74**	**662.43**
Gross carrying value			
Balance as at April 01, 2025	634.03	266.02	900.05
Additions	36.63	-	36.63
Disposals*	-	(28.92)	(28.92)
Balance as at March 31, 2026	**670.66**	**237.10**	**907.76**
Accumulated depreciation			
Balance as at April 01, 2025	187.34	50.28	237.62
Amortisation expenses	72.05	28.14	100.19
Disposals*	-	(14.46)	(14.46)
Balance as at March 31, 2026	**259.39**	**63.96**	**323.35**
Net carrying value as on March 31, 2026	**411.27**	**173.14**	**584.41**

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

Lease liabilities

Particulars	March 31, 2026	March 31, 2025
Non-current	375.81	499.89
Current	159.72	140.40
Total	**535.53**	**640.29**

The following is the movement in lease liabilities

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning	640.29	1,097.61
Additions	36.18	22.17
Deletion	-	(334.32)
Interest expense on lease liability	54.59	81.65
Payment	(195.53)	(226.82)
Balance as at end	**535.53**	**640.29**

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The table below provides details regarding the undiscounted contractual maturities of lease liabilities:

Particulars	March 31, 2026	March 31, 2025
Within 1 year	159.59	194.09
Between 1-5 years	455.80	573.12
More than 5 years	63.02	50.06
Total	**678.41**	**817.27**

Amounts recognised in Statement of profit and loss:

Particulars	March 31, 2026	March 31, 2025
Amortisation expense	100.19	123.02
Interest expense on lease liability	54.59	81.65
Total	**154.78**	**204.67**

5 Capital Work in Progress

Particulars	Capital work-in-progress
Opening gross carrying amount as on April 1, 2025	-
Additions	39.92
Disposals	-
Gross carrying amount as on March 31, 2026	**39.92**

Capital work-in-progress ageing schedule as on March 31, 2026

Particulars	Less than 1 year	1-2 year	6 Months to 1 year	2-3 year	More than 3 year	Total
Projects in progress	39.92			-	-	39.92
Projects temporarily suspended	-			-	-	-
Total	**39.92**			**-**	**-**	**39.92**

Note: There are no projects that have exceeded the budgeted cost and timeline.

6 Other Intangible assets

Particulars	Software
Gross carrying value	
Balance as at April 01, 2024	211.24
Additions	-
Disposals	-
Balance as at March 31, 2025	**211.24**
Accumulated Amortisation	
Balance as at April 01, 2024	163.50
Amortisation charge	35.04
Balance as at March 31, 2025	**198.54**
Net carrying value as at March 31, 2025	**12.70**

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Particulars	Software
Gross carrying value	
Balance as at April 01, 2025	211.24
Additions	121.71
Disposals	-
Balance as at March 31 ,2026	**332.95**
Accumulated Amortisation	
Balance as at April 01, 2025	198.54
Amortisation charge	4.06
Balance as at March 31, 2026	**202.60**
Net carrying value as at March 31, 2026	**130.35**

7 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Quoted at FVTPL		
In Mutual funds		
Aditya Birla mutual funds*	45.45	42.76
Total Investments	**45.45**	**42.76**
Aggregate value of Quoted Investments	**45.45**	**42.76**

*held as collateral against non-current borrowings
Refer note 34 for fair value measurement.
Refer note 35 for information on company's Risk management process.

8 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Term deposits with banks	109.97	85.70
Accrued interest on above deposits		
Other receivables	4.70	3.23
Aditya Birla Mutual funds		
Security deposit	71.83	94.04
Total non-current financial assets	**186.50**	**182.97**
Current		
Term deposits with banks	450.74	364.71
Accrued interest on term deposits	5.39	1.90
Other receivables.	0.20	0.20
Total current financial assets	**456.33**	**366.81**

Refer note 34 for fair value measurement.

Refer note 35 for information on company's Risk management process.

9 Income tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax balance receivable	23.60	23.60
Total Income tax assets	**23.60**	**23.60**

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

10 Other non-current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	9.82	33.60
Prepaid expenses	53.44	-
Total other non-current assets	**63.26**	**33.60**

11 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (unsecured)		
Considered good	1,351.46	1,309.28
Significant increase in credit risk	15.65	15.65
Less: expected credit loss allowance	(330.20)	(311.72)
Less: credit impaired	(15.65)	(15.65)
Total	**1,021.26**	**997.56**
Unbilled revenue	633.93	437.28
Total	**633.93**	**437.28**
Total trade receivables	**1,655.19**	**1,434.84**

Refer note 35 for information on company's Risk management process.

Refer note 32 for related party transactions.

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and the Company does not hold any collateral security.

Ageing Schedule:

Outstanding for following period from the date of transaction as at March 31, 2026

Particulars	Unbilled	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Loss Allowance	Total
Undisputed trade receivables – considered good	-	936.18	188.41	130.87	39.41	56.59	(330.20)	1,021.26
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	15.65	(15.65)	-
Unbilled Receivable	633.93	-	-	-	-	-	-	633.93
Total trade receivables	**633.93**	**936.18**	**188.41**	**130.87**	**39.41**	**72.24**	**(345.85)**	**1,655.19**

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Unbilled	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Loss Allowance	Total
Undisputed trade receivables – considered good	-	978.21	164.10	84.73	17.89	64.35	(311.72)	997.56
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	15.65	(15.65)	-
Unbilled Receivable	437.28	-	-	-	-	-	-	437.28
Total trade receivables	**437.28**	**978.21**	**164.10**	**84.73**	**17.89**	**80.00**	**(327.37)**	**1,434.84**

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12 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- In current accounts	12,444.32	456.50
- In deposits with original maturity of less than 3 months	89.20	150.00
Cash in hand	0.33	0.29
Total cash and cash equivalents	**12,533.85**	**606.79**

Refer note 35 for information on company's Risk management process.

13 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses*.	279.41	273.58
Advances to creditors	165.49	25.06
Advances to employees	2.70	1.53
Balances with statutory authorities	48.46	42.83
Total other current assets	**496.06**	**343.00**

*Prepaid expense includes share issue expenses in connection with the proposed IPO by the Company of ₹ 107.34 million (March 31, 2025 - ₹ 46.15 million)

14 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital:		
46,00,00,000 (March 31, 2025: 46,00,00,000) equity shares of Rs 1/- each	460.00	460.00
Total	**460.00**	**460.00**
Issued, subscribed and paid up:		
Equity share capital		
10,04,27,753 (March 31, 2025: 10,04,27,753) equity shares of Rs 1/- each fully paid up	100.43	100.43
Total	**100.43**	**100.43**

(i) Reconciliation of equity shares issued

Particulars	As at March 31, 2026		As at March 31, 2025	
	Numbers	Amount	Numbers	Amount
Shares outstanding at the beginning	10,04,27,753	100.43	9,28,94,185	92.89
Add: Issue of equity shares	-	-	75,33,568	7.54
Shares outstanding at the end	**10,04,27,753**	**100.43**	**10,04,27,753**	**100.43**

(ii) Terms/ rights attached to equity shares

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

Notes to the Consolidated Financial Statements
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(iii) Details of shareholders holding more than 5% equity shares is set out below

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	% holding	No. of shares	% holding	No. of shares
Piyush Somani	24.54%	2,46,48,670	24.54%	2,46,48,670
PO Somani Family Trust	11.19%	1,12,33,739	11.19%	1,12,33,739
Komal Somani	10.13%	1,01,74,322	10.13%	1,01,74,322
Mukul Agrawal	7.00%	70,32,960	7.00%	70,32,960
Total number of shares		**5,30,89,691**		**5,30,89,691**

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

Shares held by promoters at the end of the year	As at March 31, 2026		As at March 31, 2025		% change
Promoter Name	% holding	No. of shares	% holding	No. of shares	
Piyush Somani	24.54%	2,46,48,670	24.54%	2,46,48,670	0%
PO Somani Family Trust	11.19%	1,12,33,739	11.19%	1,12,33,739	0%
Komal Somani	10.13%	1,01,74,322	10.13%	1,01,74,322	0%

Shares held by promoters at the end of the year	As at March 31, 2025		As at March 31, 2024		% change
Promoter Name	% holding	No. of shares	% holding	No. of shares	
Piyush Somani	24.54%	2,46,48,670	28.91%	2,68,52,696	-4%
PO Somani Family Trust	11.19%	1,12,33,739	24.19%	2,24,67,478	-13%
Komal Somani	10.13%	1,01,74,322	0.00%	11	10%

(v) Aggregate number of shares issued for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date.

There are no such shares issued, allotted or bought back during the period of five years immediately preceding the reporting date.

(vi) During the financial year 2024–25, the Board of Directors approved the ESDS Employees' Stock Ownership Plan, 2024 ("ESOP 2024"). Under the Plan, stock options are granted to eligible employees of the Group, as identified by the Nomination and Remuneration Committee. Each option is convertible into one equity share of the Group having a face value of ₹1, in accordance with the terms of the Plan. Upon vesting, employees are entitled to acquire one equity share for every option exercised.

A total of 20,60,000 options were granted under the plan. These options vest over a specified period or upon achievement of certain performance milestones, subject to a minimum vesting period of one year. The options were granted on February 28, 2025. The number of options outstanding with the Holding Group as at March 31, 2026 was 17,87,000 (March 31, 2025: 20,50,000).

During the year, 68,000 ESOP options were transferred to a subsidiary pursuant to an employee transfer arrangement between ESDS Software Solution Limited and Spochub Software Solutions Limited. Accordingly, the number of options outstanding in the subsidiary as at March 31, 2026 was 68,000 (March 31, 2025: Nil).

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15 Other equity

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	**Retained earnings**		
	Opening balance	943.44	309.83
	Profit attributable to shareholders of the Group	1,202.83	556.11
	Add/Less:		
	Transfer to /(from) share based payment reserve	11.20	-
	Transfer from Debenture redemption reserve	-	75.00
	Adjustment of additional depreciation on increase in carrying value due to fair valuation	-	2.50
	Total retained earnings	**2,157.47**	**943.44**
(ii)	**Other comprehensive income**		
	Opening balance	(14.95)	(12.78)
	Add/ (Less):		
	Profit for the period	9.78	(2.17)
	Total other comprehensive income	**(5.17)**	**(14.95)**
(iii)	**Securities premium**		
	Opening balance	3,067.44	1,704.10
	Add: Premium on issue of equity shares	-	1,404.84
	Less: Transaction cost	-	(41.50)
	Total securities premium	**3,067.44**	**3,067.44**
(iv)	**Capital redemption reserve**		
	Opening balance	3.58	3.58
	Total capital redemption reserve	**3.58**	**3.58**
(v)	**Debenture redemption reserve**		
	Opening balance	-	75.00
	Add: Transfer from / (to) retained earnings	-	(75.00)
	Total debenture redemption reserve	**-**	**-**
(vi)	**Foreign currency translation reserve**		
	Opening balance	(40.84)	(30.50)
	Add: Currency translation adjustments for subsidiaries	8.79	(10.34)
	Total foreign currency translation reserve	**(32.05)**	**(40.84)**
(vii)	**Revaluation reserve**		
	Opening balance	98.39	100.89
	Less: adjustment of depreciation	(3.06)	(2.50)
	Less: deferred tax on revaluation	(5.03)	-
	Total revaluation reserve	**90.30**	**98.39**
(viii)	**Share based payment reserve**		
	Opening balance	18.32	16.07
	Share based compensated expense	47.47	2.25
	Transfer to free reserve on account of exercised option	(11.20)	-
	Total share based payment reserve	**54.59**	**18.32**
	Total Reserves & Surplus	**5,336.16**	**4,075.38**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

II) Nature and purpose of reserves

a) Securities premium

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

b) Capital Redemption Reserve

Capital redemption reserve is created on account of redemption of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

c) Foreign currency translation reserve

Gains/losses arising on retranslating the net assets of foreign operations into INR. The cumulative amount is reclassified to profit or loss when the foreign operation is disposed-off.

d) Revaluation Reserve

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

e) Share based payment reserve

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

f) Retained earnings

Retained earnings represents the cumulative undistributed profits of the Group and can be utilised in accordance with the provisions of the Act.

g) Debenture redemption reserve

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

16 Financial liabilities

Non-current borrowings*

Particulars	As at March 31, 2026	As at March 31, 2025
Secured:		
Term Loans		
From banks	11.80	69.29
From financial institutions	394.17	504.17
Total	**405.97**	**573.46**
Less: Current maturities of non-current borrowings	(121.80)	(167.49)
Total non current borrowings	**284.17**	**405.97**

Current borrowings*

Particulars	As at March 31, 2026	As at March 31, 2025
Secured:		
Demand loans from banks	23.20	53.67
Current maturities of non-current borrowings	121.80	167.49
Total current borrowings	**145.00**	**221.16**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

Note A:

Sr. No	Name of the bank	Type of Facility	O/s amount for the year ended March 31, 2026	O/s amount for the year ended March 31, 2025	Residual repayment term	Interest Rate (per annum)	Security
1	Axis Bank Limited	Term Loans	11.80	69.29	1 year	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the Company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the Company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of ₹ 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. PG Piyush Somani & Sarla Somani
2	Axis Bank Limited	Cash Credit	23.20	53.67	On Demand	11.25%	Primary – First pari pasu charge on entire current Asset of the Company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the Company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of ₹ 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. PG Piyush Somani & Sarla Somani
3	Aditya Birla Finance Limited	Term Loans	394.17	504.17	3.33 years	10.25%	1. 1st Pari passu charge by way of mortgage (if any) on all immovable fixed assets (present and future) of the Borrower (except for the land and building at Nashik and except for any future asset financed and secured exclusively by any particular lender), among all term lenders proportionately 2. 1st Pari passu charge over all movable fixed assets (present and future) of the Borrower including all patented technology and products, proportionate to outstanding amount among all term lenders proportionately. 3. Cash Flow equivalent to ₹2.5 Crores per month to be routed through designated account in favour of ABFL & to be maintained throughout Facility tenor. 4. 2nd Pari passu charge over entire current assets, book debts, receivables and cash flows, present and future, of the Borrower. 5. Personal Guarantees of Mr. Piyush Somani & Ms. Komal Somani. PG of Ms. Komal Somani shall be released upon submission of audited financial statement of the Borrower wherein the Borrower has achieved an EBIDTA of ₹120 Crores in any fiscal year. 6. 3 months' (Principal + Interest) DSRA to be lien marked in favour of ABFL 7. NACH and PDCs
	Total		**429.17**	**627.13**			

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

17 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Capital creditors	83.30	366.16
Employee benefits payable	33.67	17.16
Other payables	9.67	11.80
Total other current financial liabilities	**126.64**	**395.12**

18 Employee benefit obligations

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Gratuity [refer note:33]	96.94	93.07
Total non-current obligations	**96.94**	**93.07**
Current		
Gratuity [refer note:33]	1.50	2.00
Compensated absences	28.57	49.80
Total current obligations	**30.07**	**51.80**

19 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
- Total outstanding dues to Micro and small enterprises (refer note below)	18.17	27.68
- Total outstanding dues to other than Micro and small enterprises	370.76	262.58
Provision for expenses	-	-
Total trade payables	**388.93**	**290.26**

Trade payables are non-interest bearing and are normally settled in 30-45 days terms.

There are no unbilled dues for the trade payables as on the balance sheet date.

Refer note no.: 35 for information about the Company's financial risks management process.

Refer note no.: 32 for related party disclosures

Ageing Schedule

Outstanding for following period from the date of transaction as at March 31, 2026

Particulars	Payables not due	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	18.17	-	-	-	18.17
Others	111.37	257.39	1.27	0.25	0.48	370.76
Disputed - MSME	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-
Total	**111.37**	**275.56**	**1.27**	**0.25**	**0.48**	**388.93**

Outstanding for following period from the date of transaction as at March 31, 2025

Particulars	Payables not due	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	27.67	-	0.01	-	27.68
Others	55.56	169.72	0.02	-	11.60	236.90
Disputed - MSME	-	-	-	-	-	-
Disputed - Others	-	-	-	25.68	-	25.68
Total	**55.56**	**197.39**	**0.02**	**25.69**	**11.60**	**290.26**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

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

Sr. No	Details of dues to micro and small enterprises as defined under the MSMED Act, 2006	As at March 31, 2026	As at March 31, 2025
1	Principal amount due to suppliers registered per the MSMED Act and remaining unpaid as at year end	18.17	27.68
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	0.06
3	Amount of interest paid in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during during the year	-	-
4	Amount of interest due and payable for the period of delay in making payments but without adding interest specified under MSMED Act, 2006	-	-
5	The amount of interest accrued and remaining unpaid at the end of year	-	0.06
6	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-

20 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for tax (net)	229.71	25.00
Total current tax liabilities	**229.71**	**25.00**

21 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities	31.72	43.35
Advance from customers	11,875.83	7.35
Unearned revenue	49.58	93.79
Unpaid dividend on Preferences Shares	0.04	0.04
Total other current liabilities	**11,957.17**	**144.53**

22 Income tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax	432.65	245.55
Prior year taxes	36.38	-
Deferred tax (net of MAT)	(3.03)	24.28
Income tax expense	**466.00**	**269.83**
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	1,674.23	825.94
Tax at the Indian tax rate of 25.168% (FY 2024-25- 27.82%)	421.37	229.78

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Corporate social responsibility expenditure and others	(2.02)	0.91
Other comprehensive income	-	0.85
MAT balance written off	25.16	-
Impact of change in rate of tax	(11.44)	-
Prior year taxes	36.38	
Others	(3.45)	38.29
Total	**44.63**	**40.05**
Net current tax expenses recognised in Statement of Profit & Loss	**466.00**	**269.83**

23 Deferred tax (net)

(a) Breakup of deferred tax liability:

Particulars	As at March 31, 2026	As at March 31, 2025
Net Deferred tax (assets)/liabilities**	**142.89**	**116.49**
Deferred tax assets/liabilities arise from the following:		
Tax credits available:		
MAT credit receivable	(25.16)	25.16
Deferred tax assets		
Gratuity & compensated absences	31.96	42.50
Provision for doubtful debts	87.04	91.07
Lease liabilities	134.78	178.13
Prior year impact		
	228.62	**336.86**
Deferred tax liability		
PPE depreciation and intangible amortisation	219.40	269.06
Right use of assets	147.08	184.29
Revaluation of Property, plant and equipment	5.03	-
	371.51	**453.35**

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

(b) Movement in deferred tax (assets)/ liabilities:

Movement in deferred tax (assets)/ liabilities:	As at March 31, 2026	As at March 31, 2025
Opening deferred tax (assets) / liabilities	116.49	56.48
Revaluation of Property, plant and equipment	5.03	-
Mat credit entitlement	50.32	37.98
Gratuity and compensated absences	10.54	(3.67)
Provision for doubtful debts	4.03	(27.73)
Lease liabilities	43.35	127.23
Right use of assets	(37.21)	(91.22)
Income tax business loss setoff	-	53.00
PPE depreciation and intangible amortisation	(49.66)	(35.58)
Closing deferred tax liability after set off	**142.89**	**116.49**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

24 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of services		
Cloud hosting and managed services	4,722.10	3,613.35
Total revenue from operations	**4,722.10**	**3,613.35**

A. Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract price	4,481.24	3,269.88
Adjustments for:		
Unbilled revenue	196.65	437.27
Unearned revenue	44.21	(93.80)
Revenue from operations	**4,722.10**	**3,613.35**

B. Disaggregation of revenue by geography:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
India	3,517.69	2,743.37
Outside India	1,204.41	869.98
Total	**4,722.10**	**3,613.35**

C. Disaggregation by nature of services:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cloud hosting and managed services	4,722.10	3,613.35
Total	**4,722.10**	**3,613.35**

D. Timing of revenue recognition:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Services transferred over time	3,516.89	3,461.43
Point in time (delivery to customer)	1,205.21	151.92
Total	**4,722.10**	**3,613.35**

E. Contract balances:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade receivables	1,021.26	997.56
Unbilled revenue	633.93	437.28
Unearned revenue	49.58	93.79
Advance from customers	11,875.83	7.35
Total	**13,580.60**	**1,535.98**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

25 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income from:		
Deposits with banks	53.59	39.28
Income tax refund	-	6.28
Foreign exchange fluctuation gain (net)	11.81	-
Fair value gain on investments	2.69	-
Profit on sale of assets	3.74	0.78
NCI loss in control	-	(5.69)
Cessation of lease liabilities	-	104.93
Unwinding of discount on security deposits	1.62	0.72
Miscellaneous income	10.97	6.76
Total other income	**84.42**	**153.06**

26 Employee benefit expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	943.13	882.79
Contribution to provident and other funds	27.01	26.38
Employee stock option scheme expense	47.47	2.25
Staff welfare expenses	26.59	29.85
Total employee benefit expense	**1,044.20**	**941.27**

27 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on:		
- Borrowings	50.98	159.25
- Lease liabilities	54.59	81.65
- MSME	-	0.06
Bank charges	9.64	7.37
Other borrowing costs	2.69	4.16
Total finance costs	**117.90**	**252.49**

28 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment	530.38	464.00
Amortisation of intangible assets	4.06	35.04
Amortisation of right-of-use asset	100.19	123.02
Total depreciation and amortisation expense	**634.63**	**622.06**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

29 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Membership and subscription charges	217.56	206.80
Power and fuel charges	211.71	197.43
Project servicing cost	259.58	190.43
Communication expenses	126.01	90.43
Charge for non-performance of obligation	57.18	-
Legal and professional charges	121.15	115.29
Expected credit loss allowance [refer note no : 35]	24.37	99.27
Advertisement and sales promotion	46.71	35.80
Contract fulfillment costs	28.24	16.87
Travel and conveyance	46.55	40.46
Contract labour charges	30.71	30.19
Rates and taxes	20.57	3.76
Insurance	17.49	14.20
Rental charges	27.68	9.55
Commission/Brokerage	29.23	23.52
Office expenses	13.96	7.01
Corporate social responsibility expenditure	6.59	0.91
Directors sitting fees	9.50	3.54
Computers	1.18	0.35
Building	-	-
Buildings	18.88	-
Others	8.53	13.31
Foreign exchange fluctuation loss (net)	-	9.09
Payment to auditors [refer note below]	3.34	3.32
Miscellaneous expenses	8.84	11.71
Total other expenses	**1,335.56**	**1,123.24**

Auditor's Remuneration

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditor		
Statutory audit fee	3.34	2.80
Tax audit fee	-	0.23
Other services	-	0.20
Total Auditor's remuneration	**3.34**	**3.23**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2026

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

30 Earnings per share

a) Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company	1,208.23	556.11
Weighted average number of equity shares	10,04,27,753	10,04,27,753
Basic earnings per share	**12.03**	**5.54**
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company	1,208.23	556.11
Weighted average number of equity shares (including potential shares)	10,22,90,753	10,04,27,753
Diluted earnings per share	**11.81**	**5.54**

(b) Weighted average number of shares used as denominator

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**10,04,27,753**	**10,04,27,753**
Adjustments for calculation of diluted earnings per share:		
Number of ESOPS	18,63,000	-
Weighted average number of equity shares and potential shares used as the denominator in calculating diluted earnings per share	**10,22,90,753**	**10,04,27,753**

31 Contingencies and commitments

i) Capital commitments

Particulars	March 31, 2026	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances)	174.44	257.09

ii) Contingent liabilities (to the extent not provided for)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Claims against the Company not acknowledged as debts		
Other matters [Refer ii (b)]	2.62	2.62
Guarantees excluding financial guarantees		
Perfomance Bank guarantees given to customers	526.04	472.27
Tax litigations		
GST demands on improper availment of ITC for the years 2019-20 to 2020-21	23.01	10.09
Total	**551.67**	**484.98**

iii) Other Matters

a) In 2022, Mr Rajeev Papneja an ex-employee of the Company has filed the petition in Bombay high court alleging that an oral contract was agreed with the Company for issuance of certain number of shares under ESOP owing to services rendered by him to the Company, claim amounting to ₹ 184.80 million. The Company has filed an application before the bombay high court challenging its jurisdiction to adjudicate the matter.

The Company does not foresee any probable outflow in the matter and accordingly has not specifically disclosed the quantum under contingent liability.

b) In Feb 2022, Company has received a legal notice from Sara Infoway ITES India for non-payment of outstanding dues of ₹ 15.38 million (including interest @ 18% p.a. of Rs 2.34 million/-). Additionally, an amount of ₹ 0.30 million /- is being sought as advocate fee for serving the legal notice.

As per books of account of the Company, outstanding dues of ₹ 13.06 million are being reflected. As of now, the Company is carefully reviewing the vendor's claims and assessing its legal obligations in this matter. The Company is actively exploring options for resolving the dispute, which may include negotiations, seeking legal advice, or pursuing a settlement to mitigate any financial impact.

32 Related party transactions

Related Party	Relation
Individuals having Significant influence over Reporting Entity(RE)	
Piyush Somani	Chairman and Managing Director
Shubhashis Nag	Director in Subsidiary company
Ranjan Singh	Director in Subsidiary company
Relatives of such individuals:	
Pooja Somani	Sister of Chairman and Managing Director
Prajakta Somani Jadhav	Sister of Chairman and Managing Director
Individuals who are Key Managerial Personnel (KMP) of RE or KMP of Parent of RE	
Komal Somani	Whole Time Director (w.e.f July 28, 2021)
Jitendra Pathak	Whole Time Director (w.e.f February 04, 2025)
Nadukuru Sita Ramaiah	Chief Financial Officer (From October 31, 2022)
T.G. Dhandapani	Independent Director (from July 28, 2021)
Venkatesh Natarajan	Independent Director (from July 01, 2023)
Pamela Kumar	Independent Director (from July 28, 2021)
Prasad Deokar	Compliance Officer and Company Secretary (From July 13, 2022)
Individual RP having control/JC over another entity (having transaction with the Company)	
Great Ideas in Action LLP	Komal Somani: Designated partner

Notes to the Consolidated Financial Statements
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(All amounts are in Rupees million, unless otherwise stated)

32 Related party disclosures

I Nature of transactions and amounts

Nature of transactions		Amount	
		For the year ended March 31, 2026	For the year ended March 31, 2025
A)	**Salaries and allowances**		
	i) Key Managerial Personnel (KMP)		
	Prasad Deokar	2.12	1.40
	Nadukuru Sita Ramaiah	5.40	7.14
	ii) Relatives of KMP		
	Prajakta Somani Jadhav	0.45	2.50
	Pooja Somani	1.14	1.14
B)	**Director remuneration to KMP**		
	Komal Somani	7.77	5.43
	Piyush Somani	14.67	10.78
	Jitendra Pathak	14.76	9.79
C)	**Loan given/(recovered)-net**		
	i) KMP		
	Piyush Somani	-	-
	ii) Relatives of KMP		
	Komal Somani	-	-
	Prajakta Somani Jadhav	-	-
D)	**Loan given/(recovered) on net basis**		
	ESDS Cloud FZ LLC	(362.87)	399.50
	ESDS Internet Services Private Limited	-	-
	ESDS Global Software Solution Inc.	-	-
E)	**Operating and other expenses**		
	i) KMP		
	Piyush Somani	-	-
	ii) Subsidiary		
	ESDS Internet Services Private Limited	-	43.31
	Spochub Solutions Private Limited		
	iii) Individuals having control over another entity		
	Great Ideas in Action LLP	-	-
F)	**Sales of services**		
	i) Subsidiary		
	ESDS Cloud FZ LLC	-	-
	ii) Individuals having control over another entity		
	Great Ideas in Action LLP	-	-
G)	**Director sitting fees**		
	T.G. Dhandapani	0.93	1.37
	Pamela Kumar	0.89	0.95
	Venkatesh Natarajan	0.93	1.23
H)	**Professional Fees**		
	T.G. Dhandapani	-	0.12
	Venkatesh Natarajan	-	0.12

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

II Outstanding receivable/(payable) balances

Nature of transactions	Outstanding balances for period ended	
	As at March 31, 2026	As at March 31, 2025
A) Director Sitting Fees Payable		
T.G. Dhandapani	-	0.32
Pamela Kumar	-	0.28
Venkatesh Natarajan	-	0.32
B) Payables		
i) Individuals having control over another entity		
Great Ideas in Action LLP	-	0.63

III Terms and conditions for outstanding balances

All Outstanding balances are unsecured and payable in cash.

33 Employee benefit obligations

A. Defined contribution plans :

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Group has no obligation other than to make the specified contribution. The contribution is charged to Statement of Profit and Loss as it accrues. The amount recognised as an expense towards contribution to Provident Fund for the period aggregated to ₹26.53 million (March 31, 2025: 26.14 million) and other funds to ₹0.48 million (March 31, 2025: 0.24 million).

B Defined benefit plan

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

(a) Movements in the present value of the defined obligation are as follows:	As at March 31, 2026	As at March 31, 2025
Obligation at the beginning of the year	**95.07**	**77.03**
Current service cost	15.21	19.47
Past service cost	2.25	
Interest expense	7.85	5.20
Transfer In / (out)	-	-
Benefits paid	(8.87)	(9.65)
"Actuarial losses (gains) arising from change in financial assumptions"	(11.16)	4.63
Actuarial losses (gains) arising from experience adjustments	(1.91)	(1.61)
Liability at the end of the year	**98.44**	**95.07**

(b) The net liability disclosed above relates to funded and unfunded plans are as follows:	As at March 31, 2026	As at March 31, 2025
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Deficit of funded plans	**-**	**-**
Unfunded plans	98.44	95.07
Deficit of Gratuity Plan	**98.44**	**95.07**

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

(c) Expenses recognised in the Statement of Profit and Loss under employee benefit expenses.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service cost	15.21	19.47
Net interest (income)/expense	7.85	5.20
Net gratuity cost	**23.06**	**24.67**

(d) Expenses recognised in statement of other comprehensive income:

Remeasurement	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement for the year - obligation (gain)/loss	(13.07)	3.02
Total Remeasurement Cost/(credit) for the year recognised in OCI	**(13.07)**	**3.02**

(e) Significant estimates: actuarial assumptions and sensitivity

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	7.50%	6.75%
Rate of growth in compensation level	7.00%	7.00%
Expected average remaining working lives of employees (in years)	60 years	60 years
Attrition rate	5% to 1%	5% to 1%

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	Defined benefit obligation	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) 1% increase in discount rate	86.18	82.63
(ii) 1% decrease in discount rate	112.72	110.18
(iii) 1% increase in rate of salary escalation	112.65	109.98
(iv) 1% decrease in rate of salary escalation	86.02	82.55
(v) 1% increase in rate of withdrawal	99.05	94.76
(iv) 1% decrease in rate of withdrawal	97.74	95.41

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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

The following payments are expected contributions to the defined benefits plan in future year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Year 1	1.82	2.00
Year 2	3.58	3.10
Year 3	3.45	3.25
Year 4	3.33	2.88
Year 5	3.22	3.65
Year 6 to 10	6.53	12.68

Liability Risks

Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralise valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Asset Risks

The Group does not have any investment in plan assets, as the gratuity plan is a non funded plan. In case of any liability arises on account of gratuity, the group will pay off the amount from the available sources of funds.

34 Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2026		As at March 31, 2025	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Non- current financial assets				
Investments in Mutual Funds	45.45	-	42.76	-
Other financial assets	-	186.50	-	182.97
Current financial assets				
Trade receivables	-	1,655.19	-	1,434.84
Cash and cash equivalents	-	12,533.85	-	606.79
Other financial assets	-	456.33	-	366.81
Total financial assets	**45.45**	**14,831.87**	**42.76**	**2,591.41**

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial liabilities				
Non-current financial liabilities				
Non-current borrowings	-	284.17	-	405.97
Lease liabilities	-	375.81	-	499.89
Current financial liabilities				
Current borrowings	-	145.00	-	221.16
Lease liabilities	-	159.72	-	140.40
Trade payables	-	388.93	-	290.26
Other financial liabilities	-	126.64	-	395.12
Total financial liabilities	**-**	**1,480.27**	**-**	**1,952.80**

The management assessed that the fair value of cash and cash equivalents, borrowings, lease liabiliity, trade receivables, trade payables and other financial assets and other financial liabilities approximate their carrying amounts largely due to the short term nature of these balances.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2026

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at Fair value through Profit or Loss				
Investment in Mutual Fund	45.45	-	-	45.45
Total financial assets	**45.45**	**-**	**-**	**45.45**

As at March 31, 2025

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Measured at Fair value through Profit or Loss				
Investments in Mutual funds	42.76	-	-	42.76
Total financial assets	**42.76**	**-**	**-**	**42.76**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous period.

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

35 Financial risk management

The Group's principal financial liabilities comprises of borrowings, lease liabilities , trade and other payables (including capital creditors). The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans given, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Group is exposed to the following risks from the use of financial instruments:

(a) credit risk,

(b) liquidity risk, and

(c) market risk,

(i) foreign currency exchange risk, and

(ii) interest rate risk.

The Group's senior management oversees the management of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Credit Risk

The Group is exposed to credit risk as a result of counterparties defaulting their obligations. The Group's exposure to credit risk primarily relates to trade receivables. The Group monitors and limits its exposure to credit risks on a reasonable basis. The Group's credit risk is associated with Trade receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, the Group yearly reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.

Financial instruments that are subject to such risks, principally consist of trade receivables,contract assets such as unbilled revenue, loans to subsidiaries, security deposits and cash and bank balances. None of the financial instruments of the Group results in material concentration of credit risk.

- Trade receivables/contract assets

Customer credit risk is managed by the Group subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, "Financial Instruments" which permits the use of the lifetime expected loss provision for all trade receivables. The Group has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Group.

To measure the expected credit loss, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The historical rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

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

Reconcilation of loss allowance and credit impairment provisions

Particulars	Amount
Loss allowance on March 31, 2024	**232.10**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the Year	(4.00)
: Provision for the Year	99.27
: Recovery of Bad Debts	-
Loss allowance on March 31, 2025	**327.37**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the period	
: Provision for the period	24.37
: Reversal of excess provision	(5.89)
Loss allowance on March 31, 2026	**345.85**

Loss allowance matrix

Ageing Bucket	% of ECL
<= 60 days	0.00%
61 to 90 days	25.00%
91 to 180 days	30.00%
181 to 365 days	50.00%
Above 365 days	100.00%

(b) Liquidity Risk

The Group is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The Group monitors and manages the liquidity risk to ensure access to sufficient fund to meet operational and financial requirements. The Group has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the Group's liquidity risk , the Group's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due , under both normal and stressed conditions without incurring unacceptable losses.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their undiscounted contractual maturities.

As at March 31, 2026

Particulars	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	284.17		284.17
Lease liabilities	-	231.49	187.88	375.81
Current financial liabilities				
Current borrowings	145.00	-	-	145.00
Lease liabilities	159.72	-	-	159.72
Trade payables	388.93	-	-	388.93
Other financial liabilities	126.64	-	-	126.64
Total	**820.29**	**515.66**	**187.88**	**1,480.27**

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

As at March 31, 2025

Particulars	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	341.80	64.17	405.97
Lease liabilities	-	272.03	227.86	499.89
Current financial liabilities				
Current borrowings	221.16	-	-	221.16
Lease liabilities	140.40	-	-	140.40
Trade payables	290.26	-	-	290.26
Other financial liabilities	395.12	-	-	395.12
Total	**1,046.94**	**613.83**	**292.03**	**1,952.80**

(c) Market risk

Market risk is the risk of any loss in the future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change due to change in interest rates, foreign currency exchange rates, liquidity, and other market changes. Future specific market movements cannot be market predicted with reasonable accuracy.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities on account of export of services and foreign expenditure. The Group at present does not enter into any foreign currency futures or hedging to minimise the risk, as such transactions are naturally hedged.

The foreign exchange rate fluctuations do not have any material impact on the profitability of the Group as such exports and foreign currency expenditure is negligible in totality.

The Group deals with receivables from customers and payables to vendors. It is therefore exposed to foreign exchange risk associated with exchange rate movements. The foreign exchange rate fluctuations do not have any material impact on the profitability of the Group as such exports and foreign currency expenditure is negligible in totality.

There are no forward exchange contracts which have been entered into by the Group as on the reporting dates.

Details of foreign currency exposures that are not hedged by a derivatives instrument or otherwise:

Particulars	March 31, 2026	March 31, 2025
Receivables (asset)		
USD	0.03	0.02
GBP	0.07	0.07
EUR	-	-
Payables (liability)		
USD	124.30	0.02
EURO		-

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

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or the 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 group's debt obligations with floating interest rates.

Interest rate exposure: The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on variable rate borrowings	50.98	159.25

Sensitivity analysis

Profit or loss to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	March 31, 2026	March 31, 2025
If interest rates -		
Increase by 1%	0.51	1.59
Decrease by 1%	(0.51)	(1.59)

36 Share based payments

1 ESOP Scheme 2021

(a) Description of share based payment arrangements

On August 9, 2021, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2021. These options are granted to eligible employees of the Group determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of ₹ 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of The Group for every option. Options will be available for vesting upon successful completion of service during the vesting period. The options were granted on August 30, 2021.

Additionally, 78,500 options were granted during the year having vesting period of one year from date of grant.

Vesting conditions

Options can be exercised within 4 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
30 August 2022	50%
30 August 2023	20%
30 August 2024	20%
30 August 2025	10%

(b) Measurement of fair values

Vesting	Exercise price	Expected volatility	Risk free rate	Expected life	Weighted average fair value as at grant date	Method of valuation
30 August 2022	65	20.33%	5.65%	3 to 6 years	10.60	Black – Scholes Model
30 August 2023	65	20.33%	5.65%	3 to 6 years	13.38	Black – Scholes Model
30 August 2024	65	20.33%	5.65%	3 to 6 years	15.96	Black – Scholes Model
30 August 2025	65	20.33%	5.65%	3 to 6 years	18.35	Black – Scholes Model

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

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee stock ownership plan expense	0.55	1.48

During the year ended March 31, 2026, 21,000 ESOP options were cancelled, and there were no modifications to the options.

The carrying amount of the liability in respect of the Employee Stock Ownership Plan as at March 31, 2026 was ₹ 2.18 million (March 31, 2025: ₹ 17.55 million). During the year ended March 31, 2026, ₹ 11.20 million was transferred to free reserves upon the exercise of options.

(d) Reconciliation of outstanding share options

The number share options under the share option scheme are as follows

Particulars	As at March 31, 2026	As at March 31, 2025
Options outstanding at the beginning	9,97,140	12,77,000
Add: Options granted	78,500	-
Less: Options forfeited and expired	21,000	1,34,000
Less: Options exercised	8,50,340	145860
Options outstanding at the end	**2,04,300**	**9,97,140**

2 ESOP Scheme 2024

(a) Description of share based payment arrangements

On December 6, 2024, the Board of Directors approved the ESDS Employees Stock Ownership Plan 2024. These options are granted to eligible employees of the Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of ₹ 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of the Company for every option. Options granted under the Plan shall vest within a specified time period or on achievement of certain performance milestones or both subject to a minimum Vesting Period of one year. The options were granted on February 28, 2025.

Additionally, 40,000 options were granted during the year having vesting period of one year from date of grant.

Vesting conditions

Options can be exercised within 3 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
March 1, 2026	10%
March 1, 2027	30%
March 1, 2028	40%
March 1, 2029	20%

(b) Measurement of fair values

Vesting	Exercise price	Expected volatility	Risk free rate	Expected life (in years)	Weighted average fair value as at grant date	Method of valuation
March 1, 2026	225	18.45%	6.56%	2.5	44.83	Black – Scholes Model
March 1, 2027	225	20.03%	6.59%	3.5	58.56	Black – Scholes Model
March 1, 2028	225	20.09%	6.64%	4.5	69.71	Black – Scholes Model
March 1, 2029	225	22.93%	6.69%	5.5	83.73	Black – Scholes Model

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(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee stock ownership plan expense	46.92	0.77

During the year ended March 31, 2026, 2,35,000 ESOP options were cancelled, with no modifications made to the remaining options.

The carrying amount of the liability relating to the Employee Stock Ownership Plan as at March 31, 2026 was ₹ 52.41 million (March 31, 2025: ₹ 0.77 million)

(d) Reconciliation of outstanding share options

Particulars	As at March 31, 2026	As at March 31, 2025
Options outstanding at the beginning	20,50,000	-
Add: Options granted	40,000	20,60,000
Less: Options cancelled or lapsed	2,35,000	10,000
Less: Options exercised	-	-
Options outstanding at the end	**18,55,000**	**20,50,000**

37 Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximise brand value.

The Group manages its capital and makes adjustments to it in light of the changes in economic and market conditions.

The Group monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long-term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting Year was as follows.

Particulars	As at March 31, 2026	As at March 31, 2025
Debt*	429.17	627.13
Cash and cash equivalents	(12,533.85)	(606.79)
Net debt	**(12,104.68)**	**20.34**
Shareholders' funds		
Equity share capital	100.43	100.43
Reserves and surplus	5,336.16	4,075.38
Non-controlling interest	5.40	-
Total equity	**5,441.99**	**4,175.81**
Net debt to equity ratio	**(2.22)**	**0.00**
Total Debt to equity ratio	**0.08**	**0.15**

* includes current maturity of long-term borrowing

38 Segment Information

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

The Group has identified business segment as its primary segment. In accordance with Indian Accounting Standard 108 - Segment Reporting, the Group has determined its business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker ("CODM"). Since the entire Group's business is from information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of

segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2026 and for the year ended March 31, 2025.

The secondary segment by geographical segments is provided below based on location of customers:

The Group has identified India and Rest of the world as geographical segments for secondary segmental reporting. Geographical sales are segregated based on the location of the customer who is invoiced or in relation to which the sale is otherwise recognised. Assets other than receivables used in the Group's business or liabilities contracted have not been identified to any of the reportable segments, as these are used interchangeably between segments.

Geographical	Sales and Services		Total Non-current assets	
Segment	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
India	3,517.69	2,743.37	3,996.92	3,331.30
Outside India	1,204.41	869.98	217.09	453.16
Total	**4,722.10**	**3,613.35**	**4,214.01**	**3,784.46**

Information about major customers:

During the year ended March 31, 2026, there is one single customer which contributes more than 10% to the total revenue from operations amounting to ₹ 752.40 million (March 31, 2025: ₹728.78 million)

39 Interests in other entities

39.aSubsidiaries

The group's subsidiaries as at March 31, 2026 and March 31, 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ Country of Incorporation	Ownership interest held by the group		Ownership interest held by the non controlling interest	
		As at March 31, 2026	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
ESDS Internet Services Private Limited**	India	-	-	-	-
ESDS Cloud FZ LLC*	UAE	100%	100%	-	-
Spochub Solutions Private Limited^	India	99%	100%	1%	-
ESDS Global Software Solution Inc*	USA	100%	100%	-	-

** On August 29, 2024, the Company fully sold its investment in ESDS Internet Services Private Limited at the face value of the shares. As a result, ESDS Internet Services Private Limited ceased to be a subsidiary of the Company on that date. As of March 31, 2024, the subsidiary's total assets amounted to ₹ 388.38 million, and its total revenue was ₹ 68.83 million. The Company's director subsequently resigned from their position as a director of the subsidiary as on August 29, 2024.

^ On May 26,2025, the Company sold 200 equity shares of ₹ 10 each of Spochub Solutions Private Limited to Piyush Somani. Hence, Spochub Solutions Private Limited ceased to be a wholly owned subsidiary of the Company and holding in the subsidiary is reduced to 99.00%.

39.b Non controlling interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Spochub Solutions Private Limited		ESDS Internet Services Private Limited	
	As at March 31, 2026	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
Current assets	12,542.53	-	-	-
Current liabilities	11,976.52	-	-	-
Net current assets	566.01	-	-	-
Non-current assets	0.10	-	-	-
Non-current liabilities	24.05	-	-	-
Net non-current assets	**(23.95)**	-	-	-
Net assets	**542.06**	**-**	**-**	**-**
Accumulated NCI	**5.40**	**-**	**-**	**-**

Summarised statement of profit and loss	Spochub Solutions Private Limited		ESDS Internet Services Private Limited	
	As at March 31, 2026	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
Revenue	849.49	-	-	0.03
Profit for the year	539.64	-	-	(0.17)
Total comprehensive income	**539.64**	**-**	**-**	**(0.17)**
Profit allocated to NCI	**5.40**	**-**	**-**	**(0.09)**

Note: Company have sold its investment in ESDS Internet Services Private Limited on August 29,2024 thus only profit/ loss by that day is considered.

Summarised cash flows	Spochub Solutions Private Limited		ESDS Internet Services Private Limited	
	As at March 31, 2026	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
Cash flows from operating activities	12,441.89	-	-	-
Cash flows from investing activities	(90.38)	-	-	-
Cash flows from financing activities	-	-	-	-
Net increase/ (decrease) in cash and cash equivalents	**12,351.51**	**-**	**-**	**-**

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

40 Additional Disclosure by Schedule III

	Parent		Subsidiaries											
			Indian						Foreign					
Name of the entities in the Group	ESDS Software Solution Limited		ESDS Internet Services Private Limited		Spochub Solutions Private Limited		ESDS Cloud FZ LLC		ESDS Global Software Solution Inc		Consolidation adjustments		Total	
Particulars	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
Net assets (total assets minus total liabilities)														
March 31, 2026	95.55	5,200.00	-	-	9.96	542.06	(5.22)	(284.14)	(0.25)	(13.38)	(0.05)	(2.55)	100.00	5,441.99
March 31, 2025	108.52	4,531.65	-	-	0.00	0.12	(8.24)	(344.27)	(0.28)	(11.69)	-	-	100.00	4,175.81
Share in profit or (loss)														
March 31, 2026	51.44	621.49	-	-	44.66	539.64	4.52	54.62	-	-	(0.62)	(7.52)	100.00	1,208.23
March 31, 2025	109.25	607.57	(0.03)	(0.17)	(0.00)	(0.02)	(7.28)	(40.46)	(1.94)	(10.81)	-	-	100.00	556.11
Share in other comprehensive income														
March 31, 2026	40.28	7.48	-	-	12.39	2.30	47.33	8.79			-	-	100.00	18.57
March 31, 2025	17.40	(2.18)	-	-	-	-	82.60	(10.33)	-	-	-	-	100.00	(12.51)
Share in total comprehensive income														
March 31, 2026	51.27	628.97	-	-	44.18	541.94	5.17	63.41	-	-	-	-	100.61	1,226.80
March 31, 2025	111.37	605.40	(0.03)	(0.17)	(0.00)	(0.02)	(9.34)	(50.79)	(1.99)	(10.81)	-	-	100.00	543.60

41 Additional regulatory disclosures

i) Title deeds of Immovable Property are held in the name of Group wherever applicable.

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

iii) The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender.

iv) The Group does not have any relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

v) The Group has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.

vi) The Group has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial year/period.

vii) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

viii) There were no whistle blower complaints received by the Group during the year.

ix) There Group does not have any transactions which are not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the current year and previous year.

x) The Group does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

xi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

xii) The Group has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xiii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

xiv) The Company has borrowings secured against current assets and statements of current assets filed by the Company with banks are not in agreement with the books of account subject to the following differences along with the reasons for these differences.

Quarter ended	As per the accounting records	As per stock statement	Difference	Remarks
June 30, 2025	648.76	674.41	(25.65)	This is due to quarterly adjustment entries posted.
September 30, 2025	528.92	526.99	1.93	This is due to quarterly adjustment entries posted.
December 31, 2025	589.39	582.39	7.00	This is due to quarterly adjustment entries posted.
March 31, 2026	711.26	806.95	(95.69)	This is due to quarterly adjustment entries posted.

Note: Receivables reported above relate to balances outstanding for less than 120 days.

42 The Code on Social Security, 2020:

During the year ended 31 March 2026, the Central Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', effective from 21 November 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity and compensated absences.

43 Previous year figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

As per our report attached of even date

For M S K C & Associates LLP
Chartered Accountants
Firm Registration No.: 001595S/S000168

Sd/-
Yogesh Yewale
Partner
Membership No.: 158877

Place : Pune
Date: May 27, 2026

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

Sd/-
Piyush Somani
Chairman and Managing Director
DIN: 02357582

Place: Nashik
Date: May 27, 2026

Sd/-
Prasad Deokar
Company secretary and compliance officer
M No.: A34350

Place: Nashik
Date: May 27, 2026

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154

Place: Nashik
Date: May 27, 2026

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date: May 27, 2026

Notice to Shareholders

Notice is hereby given that the Twenty-first (21st) Annual General Meeting ("AGM") of Members of ESDS Software Solution Limited ("**the Company**") will be held on **Monday, 30th November, 2026** at 11:00 hours (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended March 31, 2026, together with the reports of the Board of Directors and Auditors thereon and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. Adoption of Audited Consolidated Financial Statements

To consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2026, together with the report of the Auditors thereon and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 and the report of the Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

3. Re-appointment of Ms. Komal Piyush Somani (DIN: 08477154), as Director liable to retire by rotation

To appoint Ms. Komal Piyush Somani (DIN: 08477154), who retires by rotation as a director and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modification(s) or re-enactment thereof for the time being in force, Ms. Komal Piyush Somani (DIN: 08477154), who retires by rotation at this meeting, and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

RESOLVED FURTHER THAT the re-appointment of Ms. Komal Piyush Somani, as a Director, shall not in any way constitute a break in her existing office as a Whole-time Director of the Company."

4. Appointment Of Secretarial Auditors

To appoint M/s. Sharma and Trivedi LLP, (LLPIN: AAW-6850) Practising Company Secretaries as the Secretarial Auditors and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), as amended from time to time, and based on the recommendation of the Board of Directors, M/s. Sharma and Trivedi LLP, (LLPIN: AAW-6850) Practising Company Secretaries be and is hereby appointed as the Secretarial Auditor of the Company for a First term of five (5) consecutive financial years commencing from the financial year 2026-27 up to the financial year 2030-31, i.e., from April 1, 2026, to March 31, 2031, to conduct the secretarial audit of the Company and issue the Secretarial Audit Report in accordance with the applicable statutory and regulatory requirements.

RESOLVED FURTHER THAT the remuneration payable to the Secretarial Auditor for conducting the Secretarial Audit for the aforesaid five financial years shall be Rs.1,80,000/- (Rupees One Lakh Eighty Thousand only) per financial year, plus applicable taxes and reimbursement of out-of-pocket expenses, if any, incurred in connection with the audit, as may be mutually agreed between the Board of Directors and the Secretarial Auditor, subject to applicable law.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to revise, determine or finalise the remuneration payable to the Secretarial Auditor for each financial year during the aforesaid tenure, in consultation with the Secretarial Auditor, in accordance with the applicable provisions of the Act and the SEBI LODR Regulations.

RESOLVED FURTHER THAT any one Director or the Company Secretary and Compliance Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to this resolution, including making the necessary statutory filings and disclosures with the Registrar of Companies, stock exchanges and other authorities, wherever applicable."

SPECIAL BUSINESS:

5. Ratification of ESDS Employees Stock Ownership Plan – 2021

To ratify ESDS Employees Stock Ownership Plan – 2021 ("**ESOP 2021"/ "Scheme 2021"/ "Pre-IPO Scheme 2021**") and, in this regard, to consider and if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and other applicable provisions under of the Act, Regulation 12 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**"), the applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("**SEBI Listing Regulations**"), as amended from time to time and other applicable laws/rules/regulations (including any statutory amendment, modification or re-enactment thereof, for the time being in force), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions, sanctions, consents as may be required from appropriate authorities/ bodies and subject to such conditions and modifications as may be prescribed or imposed by such authorities/ bodies while granting the approvals, permissions, sanctions and consents referred to above and on the recommendation of the Board of Directors of the Company, the ESDS Employees Stock Ownership Plan - 2021 ("**ESOP 2021"/ "Scheme 2021"/"Pre-IPO Scheme 2021**"), as approved and subsequently amended by the Members of the Company on August 09, 2021, August 27, 2021 and January 25, 2025, respectively, i.e. prior to the listing of Equity Shares of the Company on the BSE Limited and the National Stock Exchange of India Limited ("**Stock Exchanges**"), consequent to the listing of Equity Shares of the Company on September 04, 2026, be and is hereby ratified within the meaning of the SEBI SBEB & SE Regulations, and the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include the Nomination and Remuneration Committee/ Compensation Committee which the Board has constituted, or any other committee constituted/ to be constituted by the Board) which is authorised to create, offer, issue, re-issue, grant and allot or forfeit from time to time, in one or more tranches, not exceeding 25,00,000 (Twenty-five Lakh) Employee Stock Options (as defined in the Scheme 2021) ("**ESOPs**"/ "**Options**") to the eligible employees (as defined in the Scheme 2021), on such terms and conditions as provided in the Scheme 2021, which ESOPs shall be exercisable into not more than 25,00,000 (Twenty-five Lakh) Equity Shares of the Company of face value of ₹ 1/- (Rupee One) each fully paid-up ("**Shares**"), where one ESOP would convert into one Equity Share upon exercise, on such terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the Scheme 2021.

RESOLVED FURTHER THAT the authority granted to the Nomination and Remuneration Committee of the Board to create, offer, issue, re-issue, grant and allot or forfeit ESOPs under the Scheme 2021 be and is hereby ratified.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any, additional ESOPs are granted or Equity Shares are issued by the Company, then for the purpose of making a fair and reasonable adjustment to the ESOPs granted earlier, the ceiling of total number of ESOPs and Equity Shares specified above, shall be deemed to be increased to the extent of such additional ESOPs granted or Equity Shares issued.

RESOLVED FURTHER THAT in case the Equity Shares of the Company are either subdivided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the eligible employees under the Scheme 2021 shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per Equity Share shall bear to the revised face value of the Equity Share of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said eligible employee.

RESOLVED FURTHER THAT the Board or its Committee be and is hereby authorised to make modifications to the Scheme 2021, subject to Regulations 7 and 12(2) of the SEBI SBEB & SE Regulations, provided such modification is not prejudicial to the interests of the option grantees, and save for adjustments on corporate actions, no variation in the terms of options granted prior to listing shall be made without the approval of the Members by special resolution, and to settle any

questions or difficulties that may arise with regard to the grant of Options and the transfer of Equity Shares by the ESDS Employee Benefit Trust.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, any Director or the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise, to obtain approvals, statutory, contractual or otherwise in relation to the above, to finalise and execute all documents and writings as may be necessary and make such filings/ applications with the authorities/ bodies including the Registrar of Companies."

6. Ratification of the extension of benefits of ESDS Employees Stock Ownership Plan - 2021 to the eligible employees of the subsidiary and associate company(ies)

To ratify the extension of benefits of **ESDS Employees Stock Ownership Plan - 2021** to the eligible employees of the subsidiary and associate company(ies) of the Company and, in this regard, to consider and if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Regulations 6(3)(c) and 12(1) of the SEBI SBEB & SE Regulations, SEBI Listing Regulations, the Memorandum and Articles of Associations of the Company, Foreign Exchange Management Act, 1999 ('FEMA') and other applicable laws and pursuant to recommendation of Nomination and Remuneration Committee, the extension of the benefits of ESOP 2021 to the eligible employees of the existing and / or future subsidiary and associate company(ies) of the Company, in India or outside India, as approved and subsequently amended by the Members of the Company on August 09, 2021, August 27, 2021 and January 25, 2025, respectively, i.e. prior to the listing of the Equity Shares of the Company, be and is hereby ratified, and the Board (including the Nomination and Remuneration Committee) be and is hereby authorised to create, offer, issue, re-issue and grant Options to such employees within the overall ceiling of 25,00,000 (Twenty-five Lakh) Options under ESOP 2021, on the terms and conditions set out therein.

RESOLVED FURTHER THAT no options shall be granted to such Eligible Employees prior to obtaining in-principle approval from the stock exchanges where the equity shares of the Company are listed.

RESOLVED FURTHER THAT the Equity shares to be transferred by the ESDS Employee Benefit Trust upon exercise of Options or to be issued and allotted upon exercise of Options, by the eligible employees shall rank pari-passu in all respects with the existing Equity shares of the Company.

RESOLVED FURTHER THAT the Board or its Committee be and is hereby authorised to make modifications to the Scheme 2021, subject to Regulations 7 and 12(2) of the SEBI SBEB & SE Regulations, provided such modification is not prejudicial to the interests of the option grantees, and save for adjustments on corporate actions, no variation in the terms of options granted prior to listing shall be made without the approval of the Members by special resolution, and to settle any issue(s), question(s), difficulty(ies) or doubt(s) that may arise in this regard.

RESOLVED FURTHER THAT in the event of any Corporate Action (including rights issue, bonus issue, stock split, consolidation, merger, demerger, or other reorganisation of the Company's capital structure), such adjustments as may be necessary to the number of Options, the Exercise Price, or both, shall be made by the Committee in a fair and reasonable manner, in accordance with the terms of the Scheme.

RESOLVED FURTHER THAT any Director or the Company Secretary and Compliance Officer of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary in this regard."

7. Ratification of ESDS Employee Stock Option Plan 2024

To ratify ESDS Employee Stock Option Plan 2024 ("**ESOP 2024**"/ "**Scheme 2024**"/ "**Pre-IPO Scheme 2024**") and, in this regard, to consider and if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and other applicable provisions under of the Act, Regulation 12 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time ("**SEBI SBEB & SE Regulations**"), the applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("**SEBI Listing Regulations**"), as amended from time to time and other applicable laws/rules/regulations (including any statutory amendment, modification or re-enactment thereof, for the time being in force), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions, sanctions, consents as may be required from appropriate authorities/ bodies and subject to such conditions and modifications as may be prescribed or imposed by such authorities/ bodies while granting the approvals, permissions, sanctions and consents referred to above and on the recommendation of the Board of Directors of the Company, the ESDS Employee Stock Option Plan 2024 ("**ESOP 2024**"/ "**Scheme 2024**"/"**Pre-IPO Scheme 2024**"), as approved by the Members of the Company on January 25, 2025 prior to the listing of Equity Shares of the Company on the BSE Limited and the National Stock Exchange of India Limited ("**Stock Exchanges**"), consequent to the listing of Equity Shares of the Company on September 04, 2026, be and is hereby ratified within the meaning of the SEBI SBEB & SE Regulations, and the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include the Nomination and Remuneration Committee/ Compensation Committee which the Board has constituted, or any other committee constituted/ to be constituted by the Board) which is authorised to create, offer, issue , re-issue, grant and allot or forfeit from time to time, in one or more tranches, not exceeding 30,00,000 (Thirty Lakh) Employee Stock Options (as defined in the Scheme 2024) ("**ESOPs**"/ "**Options**") to the eligible employees (as defined in the Scheme 2024), on such terms and conditions as provided in the Scheme 2024, which ESOPs shall be exercisable into not more than 30,00,000 (Thirty Lakh) Equity Shares of the Company of face value of ₹ 1/- (Rupee One) each fully paid-up ("**Shares**"), where one ESOP would convert into one Equity Share upon exercise, on such terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the Scheme 2024.

RESOLVED FURTHER THAT the authority granted to the Nomination and Remuneration Committee of the Board to create, offer, issue, re-issue, grant and allot or forfeit ESOPs under the Scheme 2024 be and is hereby ratified.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional ESOPs are granted or Equity Shares are issued by the Company, then for the purpose of making a fair and reasonable adjustment to the ESOPs granted earlier, the ceiling of total number of ESOPs and Equity Shares specified above, shall be deemed to be increased to the extent of such additional ESOPs granted or Equity Shares issued.

RESOLVED FURTHER THAT in case the Equity Shares of the Company are either subdivided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the eligible employees under the Scheme 2024 shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per Equity Share shall bear to the revised face value of the Equity Share of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said eligible employee.

RESOLVED FURTHER THAT the Board or its Committee be and is hereby authorised to make modifications to the Scheme 2024, subject to Regulations 7 and 12(2) of the SEBI SBEB & SE Regulations, provided such modification is not prejudicial to the interests of the option grantees, and save for adjustments on corporate actions, no variation in the terms of options granted prior to listing shall be made without the approval of the Members by special resolution, and to settle any questions or difficulties that may arise with regard to the grant of Options and the allotment of Equity Shares.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, any Director or the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise, to obtain approvals, statutory, contractual or otherwise in relation to the above, to finalise and execute all documents and writings as may be necessary and make such filings/ applications with the authorities/ bodies including the Registrar of Companies."

8. Ratification of the extension of benefits of ESDS Employee Stock Option Plan 2024 to the eligible employees of the subsidiary and associate company(ies)

To ratify the extension of benefits of ESDS Employee Stock Option Plan 2024 to the eligible employees of the subsidiary and associate company(ies) of the Company and, in this regard, to consider and if thought fit, to pass to the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Regulations 6(3)(c) and 12(1) of the SEBI SBEB & SE Regulations, SEBI Listing Regulations, the Memorandum and Articles of Associations of the Company, Foreign Exchange Management Act 1999 ('FEMA') and other applicable laws, the extension of the benefits of ESOP 2024 to the eligible employees of the existing and / or future subsidiary and associate

company(ies) of the Company, in India or outside India, as approved by the Members on January 25, 2025, i.e. prior to the listing of the Equity Shares of the Company, be and is hereby ratified, and the Board (including the Nomination and Remuneration Committee) be and is hereby authorised to create, offer, issue, re-issue and grant Options to such employees within the overall ceiling of 30,00,000 (Thirty Lakh) Options under ESOP 2024, on the terms and conditions set out therein.

RESOLVED FURTHER THAT no options shall be granted to such Eligible Employees prior to obtaining in-principle approval from the stock exchanges where the equity shares of the Company are listed.

RESOLVED FURTHER THAT the Equity shares to be issued and allotted upon exercise of Options by the eligible employees shall rank pari-passu in all respects with the existing Equity shares of the Company.

RESOLVED FURTHER THAT the Board or its Committee be and is hereby authorised to make modifications to the Scheme 2024, subject to Regulations 7 and 12(2) of the SEBI SBEB & SE Regulations, provided such modification is not prejudicial to the interests of the option grantees, and save for adjustments on corporate actions, no variation in the terms of options granted prior to listing shall be made without the approval of the Members by special resolution, and to settle any issue(s), question(s), difficulty(ies) or doubt(s) that may arise in this regard.

RESOLVED FURTHER THAT in the event of any Corporate Action (including rights issue, bonus issue, stock split, consolidation, merger, demerger, or other reorganisation of the Company's capital structure), such adjustments as may be necessary to the number of Options, the Exercise Price, or both, shall be made by the Committee in a fair and reasonable manner, in accordance with the terms of the Scheme.

RESOLVED FURTHER THAT any Director or the Company Secretary and Compliance Officer of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary in this regard."

For and on behalf of Board of Directors of
ESDS SOFTWARE SOLUTION LIMITED

Sd/-
(Piyush Somani)
Chairman and Managing Director
DIN: 02357582

Date: November 02, 2026
Place: Nashik

Registered Office: Plot No. B-24 & 25, NICE Area, MIDC Satpur, Nashik 422007

CIN: U72200MH2005PLC155433

ISIN: INE0DRI01029

Website: www.esds.co.in

e-mail: secretarial@esds.co.in

Tel: 0253-7112244

Notes:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") setting out the material facts concerning the Special Business under Item Nos. 4 to 8, and the details of the Director seeking re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and SS-2, are annexed to this Notice.
2. The Registrar of Companies, Mumbai-II has, vide its order dated September 23, 2026, granted an extension of two months under the third proviso to Section 96(1) of the Act for holding the AGM for the financial year 2025-26. Accordingly, this AGM is being held on or before November 30, 2026.
3. Pursuant to MCA General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025 ("MCA Circulars"), Regulation 44 of SEBI LODR and the SEBI Master Circular for listed entities dated November 11, 2024, the AGM is being held through VC/OAVM. The deemed venue of the AGM shall be the Registered Office of the Company at Plot No. B-24 & 25, NICE Area, MIDC Satpur, Nashik 422007.
4. Since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility to appoint proxies will not be available, and the Proxy Form, Attendance Slip and route map are not annexed to this Notice [Section 105 of the Act read with the MCA Circulars and Regulation 44(4) of SEBI LODR].
5. Corporate Members intending to send their authorised representatives to attend the Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the Meeting. Since the AGM is being held through VC/OAVM, such Members are requested to e-mail a scanned copy (PDF/ JPG) of the Board Resolution/ Authority Letter, authorising their representative to attend the AGM through VC/OAVM and vote through e-voting, to the Scrutiniser at acssagarvk@gmail.com with a copy to secretarial@esds.co.in and enotices@in.mpms.mufg.com.
6. Members of the Company had appointed M/s. M S K C & Associates LLP, Chartered Accountants (Firm Registration No.001595S / S000168), Pune, a member firm of BDO, as Statutory Auditors for a consecutive period of five years commencing from financial year 2025-26 until the conclusion of Annual General Meeting to be held for financial year 2029-30.
7. In compliance with Sections 101 and 136 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014 and Regulation 36(1) of SEBI LODR, the Notice and the Annual Report for the financial year 2025-26 are being sent by electronic mode to Members whose e-mail addresses are registered with the Company/ RTA/ Depository Participants. A letter providing the web-link, including the exact path, where the Annual Report is available is being sent to Members whose e-mail addresses are not registered. Members may request a physical copy by writing to secretarial@esds.co.in.
8. The documents referred to in this Notice and the Statement, including ESOP 2021 and ESOP 2024, are available for electronic inspection without any fee up to the date of the AGM; Members may send a request to secretarial@esds.co.in.
9. In terms of Section 152 of the Companies Act, 2013, Ms. Komal Piyush Somani (DIN: 08477154), retires by rotation at this Meeting and being eligible, offers herself for re-appointment. Details of Director retiring by rotation as required pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in Annexure A to this Notice.
10. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM.
11. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM.
12. The certificate of the Secretarial Auditor of the Company under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**"), confirming that ESOP 2021 and ESOP 2024 have been implemented in accordance with the said Regulations and the resolutions of the Members, will be available electronically for inspection by the Members during the AGM.
13. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI LODR read with SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, SEBI circular dated January 30, 2026 and the SEBI Master Circular for listed entities dated November 11, 2024 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, the Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronic means and business may be transacted through the e-Voting services. For this purpose, the Company has engaged services of **MUFG Intime India Private Limited**, for providing e-Voting services. **The Company is also providing the facility of e-voting during the AGM**.
14. Remote e-voting facility will be available on the website https://instavote.linkintime.co.in
15. The Board has appointed Mr. Sagar Kulkarni (Membership No. F11770/ C. P. No.18046) of M/s. S.V. Kulkarni & Associates, Company Secretaries, Nashik as the Scrutiniser for conducting the e-voting process in a fair and transparent manner and in accordance with the provisions of the Act and the Rules made thereunder.

Notice to Shareholders

16. In terms of the requirements of the Act and the Rules made thereunder, the Company has fixed **Monday, November 23, 2026** as the **cut-off date**. The remote e-voting / voting rights of the members/ beneficial owners shall be reckoned in proportion to their shareholding as on cut-off date, i.e., **Monday, November 23, 2026**.

17. The remote e-voting facility begins from **9.00 a.m. (IST) on Thursday, November 26, 2026** and ends on **Sunday, November 29, 2026 at 5:00 p.m. (IST)**. During this period, the members of the Company, holding shares in dematerialised form, as on the cut-off date, are entitled to avail the facility to cast their vote through remote e-voting. After **5:00 p.m. (IST) on Sunday, November 29, 2026**, the facility will be disabled by Instavote and remote e-voting shall not be allowed beyond the said date and time.

18. The Members who have cast their votes by remote e-voting prior to the AGM can also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their votes again during the AGM.

19. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of notice and holding shares as on cut-off date i.e. **Monday, November 23, 2026**, may obtain the login ID and password by sending a request at enotices@in.mpms.mufg.com or contact M/s MUFG Intime India Private Limited on telephone number 022-49186175.

20. Upon completion of scrutiny of the votes, the Scrutiniser will submit his report to the Chairman or to the person authorised by him within two working days of the conclusion of the AGM. The results of the e-voting will be declared on or before **Wednesday, December 02, 2026**, at the Registered Office of the Company and displayed there and on the website of the Company, on the website of MUFG Intime. The results along with the Scrutiniser's Report shall also be submitted to BSE Limited and National Stock Exchange of India Limited within two working days of the conclusion of the AGM, in terms of Regulation 44(3) of SEBI LODR.

21. The Annual General Meeting Notice is also being uploaded on the Company's website, www.esds.co.in and MUFG's website, https://instavote.linkintime.co.in/ and on the websites of the Stock Exchanges, i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com, along with the Annual Report for the financial year 2025-26.

22. Resolution(s) passed by the members through e-voting shall be deemed to have been passed as if they have been passed at a general meeting of the members. The resolution(s), if approved by the requisite votes of members by means of e-voting, shall be deemed to have been passed on the date of Annual General Meeting, i.e. **Monday, November 30, 2026**.

23. In this Notice and the statement of material facts, the term "shareholder(s)" and "member(s)" are used interchangeably.

24. Members who have not yet registered their e-mail address are requested to get their e-mail addresses temporarily registered by visiting https://web.in.mpms.mufg.com/EmailReg/Email_Register.html

25. Post successful registration of email, the Member would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable remote e-voting. In case of any queries, member may write to enotices@in.mpms.mufg.com

26. Members can also register their e-mail IDs and contact numbers with the Company by sending details to their respective depositories, CDSL and/ or NSDL or with the Registrar and Transfer Agent, viz., MUFG Intime to enable the Company to communicate to the members.

27. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM are requested to write to the Company at secretarial@esds.co.in on or before Tuesday, November 24, 2026.

28. As per Regulation 40 of SEBI LODR, requests for transfer, transmission or transposition of securities are processed only in dematerialised form. Members holding shares in physical form are requested to dematerialise their holdings.

29. Pursuant to the SEBI Master Circular for RTAs dated May 7, 2024, Members holding shares in physical form are requested to furnish PAN, KYC details, bank account details and specimen signature (Forms ISR-1 and ISR-2) and nomination (Form SH-13/ ISR-3/ SH-14) to MUFG Intime. Members holding shares in demat form may update these details with their Depository Participants. Nomination facility is available under Section 72 of the Act.

30. In terms of SEBI circular dated July 31, 2023 (as amended), Members may first take up their grievance with the Company/ RTA and, if unresolved, through SCORES (https://scores.sebi.gov.in), and thereafter may initiate dispute resolution through the Online Dispute Resolution Portal (https://smartodr.in/login).

31. Contact details:
Compliance Officer – Prasad Deochand Deokar, Company Secretary and Compliance Officer, ESDS Software Solution Limited, e-mail: secretarial@esds.co.in, Tel: 0253-7112244;
Registrar and Share Transfer Agent – MUFG Intime India Private Limited, C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, e-mail: rnt.helpdesk@in.mpms.mufg.com, Tel: 022-4918 6000.

32. The information and instruction relating to remote e-voting process are as under:

- **REMOTE EVOTING INSTRUCTIONS:**

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 / HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

- **Individual Shareholders holding securities in demat mode with NSDL**

METHOD 1 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered email ID/ mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDeAS facility

- **Shareholders registered for IDeAS facility:**

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section."

b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

- **Shareholders not registered for IDeAS facility:**

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

c) Enter the last 4 digits of your bank account / generate 'OTP'

d) Post successful registration, user will be provided with Login ID and password.

e) Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

App Store Google Play

METHOD 3 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

- **Individual Shareholders holding securities in demat mode with CDSL**

METHOD 1 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com.

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".

Notice to Shareholders

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".

b) Enter existing username, Password & click on "Login".

c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration.

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password on the registered email id.

d) Follow steps given above in points (a-c).

- **Individual Shareholders holding securities in demat mode with Depository Participant**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote

- Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "**Login**" under 'SHARE HOLDER' tab.

b) Enter details as under:

A. User ID: Enter User ID

B. Password: Enter existing Password

C. Enter Image Verification (CAPTCHA) Code

D. Click "Submit".
(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

InstaVote USER ID	
NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company

- Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "**Sign Up**" under 'SHARE HOLDER' tab & register with details as under:

1. User ID: Enter User ID

2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)

4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

InstaVote USER ID	
NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company

- Shareholders, holding shares in NSDL form, shall provide 'point 4' above.
- Shareholders, holding shares in CDSL form, shall provide 'point 3' or 'point 4' above.
- Shareholders, holding shares in physical form but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above

5. Set the password of your choice.
(The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

6. Enter Image Verification (CAPTCHA) Code.

7. Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on "**Login**" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".

B. Select 'View' icon. E-voting page will appear.

C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the Company at registered email address.

- **Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")**

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in

B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"

C. Fill up your entity details and submit the form.

D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

B. Click on "Investor Mapping" tab under the Menu Section

C. Map the Investor with the following details:

1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

2) 'Investor's Name - Enter Investor's Name as updated with DP.

3) 'Investor PAN' - Enter your 10-digit PAN.

4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter "16-digit Demat Account No.".

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.

f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select "View" icon for "Company's Name / Event number".

d) E-voting page will appear.

e) Download sample vote file from "Download Sample Vote File" tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the Company at registered email address.

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type

Helpdesk details

Individual Shareholders holding securities in demat mode with NSDL

Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000

Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on "**Login**" under 'SHARE HOLDER' tab.
- Further Click on "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Further Click on "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM (InstaMeet)

Members can attend the AGM through VC/OAVM provided by MUFG Intime India Private Limited at https://instameet.in.mpms.mufg.com. The facility to join will open 15 minutes before the scheduled time of the AGM and remain open till 15 minutes after it.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

a) Visit URL: https://instameet.in.mpms.mufg.com & click on "Login".

b) Select the "Company Name" and register with your following details:

c) Select Check Box - Demat Account No. / Folio No. / PAN:

- Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
- Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the Company.
- Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.

Notice to Shareholders

- Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
- Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.

d) Click "Go to Meeting".

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

The facility of joining the AGM through VC/OAVM will be available for at least 1,000 Members on a first-come-first-served basis. This restriction shall not apply to large shareholders (holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, and the Auditors.

Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Speaker registration and questions

Members who wish to express their views or ask questions at the AGM may register as speakers by sending a request from their registered e-mail address, mentioning their name, DP ID and Client ID/ Folio No., PAN and mobile number, to secretarial@esds.co.in from Friday, November 20, 2026 (9:00 a.m. IST) to Tuesday, November 24, 2026 (5:00 p.m. IST). Only registered speakers will be allowed to speak. The Company reserves the right to restrict the number of speakers and the speaking time depending on the availability of time. Members who do not wish to speak may send their questions in advance within the same period to secretarial@esds.co.in.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

a) Shareholders who would like to speak during the meeting must register their request with the Company at company's registered email address, i.e. secretarial@esds.co.in, within the period mentioned above.

b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.

c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panelist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

E-voting during the AGM

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on link "Cast your vote".

b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.

c) Click on 'Submit'.

d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Recording and helpdesk

The proceedings of the AGM will be recorded and the recorded transcript will be kept in the safe custody of the Company and uploaded on the website of the Company at www.esds.co.in, as required under the MCA Circulars.

Members facing any technical issue before or during the AGM may contact the InstaMeet helpdesk at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

Notice to Shareholders

The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013

ITEM No.4

Pursuant to Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is required to appoint a Secretarial Auditor in accordance with the applicable statutory and regulatory requirements.

Based on the recommendation of the Board of Directors, the Company proposes to appoint M/s. Sharma and Trivedi LLP, (LLPIN: AAW-6850) Practising Company Secretaries as the Secretarial Auditor of the Company for a term of five consecutive financial years commencing from April 1, 2026, to March 31, 2031.

The proposed Secretarial Auditor has the requisite professional qualifications and experience and shall be required to satisfy the applicable eligibility, independence and disqualification criteria prescribed under the Act, the Rules made thereunder and the SEBI LODR Regulations.

The proposed remuneration for the Secretarial Audit shall be Rs.1,80,000/- (Rupees One Lakh Eighty Thousand only) per financial year, plus applicable taxes and reimbursement of out-of-pocket expenses, if any, subject to the terms approved by the Board of Directors.

The Board considers the proposed appointment to be in the interest of the Company and recommends the resolution set out at Item No. 4 of the accompanying Notice for approval by the members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding, if any, in the Company.

ITEM No. 5 & 6

The Company has adopted "ESDS Employees Stock Ownership Plan - 2021" **("ESOP 2021"/ "Scheme 2021"/ "Pre-IPO Scheme 2021")** approved by the Board of Directors in their meeting held on August 07, 2021 and by the Shareholders in their meeting held on August 09, 2021. The Scheme 2021 was subsequently amended with the approvals of the Shareholders in their meetings held on August 27, 2021 and January 25, 2025 to align the Scheme 2021 with the amended provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**"), prior to the listing of the Equity Shares (IPO) of the Company on both the Stock Exchanges on September 04, 2026.

In terms of Regulation 12(1) of the SEBI (SBEB) Regulations, as amended from time to time, no company shall make any fresh grant of employee stock options which involves allotment or transfer of shares to its employees under any schemes/ plans formulated prior to its Initial Public Offering ("IPO") and prior to the listing of its Equity Shares ("Pre-IPO Scheme") unless such Pre-IPO Scheme (i) is in conformity with the SEBI (SBEB) Regulations; and (ii) is ratified by its Shareholders subsequent to the IPO. Further, as per proviso to Regulation 12(1) of the SEBI (SBEB) Regulations, the ratification under clause (ii) may be done any time prior to grant of new options or shares under such pre-IPO scheme/ plan.

In terms of Regulation 6(3)(c) of the SEBI SBEB & SE Regulations, a separate resolution of the Members is required for grant of options to employees of a group company, including a subsidiary or an associate company. ESOP 2021 extends to eligible employees of the subsidiary and associate company(ies) of the Company. As these approvals were obtained prior to the listing of the Equity Shares, their ratification is sought under Regulation 12(1) of the SEBI SBEB & SE Regulations.

Considering that the Company undertook the IPO of its Equity Shares, and its Equity Shares got listed on the BSE Limited and the National Stock Exchange of India Limited with effect from September 04, 2026, in terms of the Regulation 12(1) of the SEBI (SBEB) Regulations, the Company seeks approval from its shareholders to ratify the Scheme 2021.

In case the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the Employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("**EPS**") of the Company shall also be disclosed in the Directors' report.

The Board on Monday, November 2, 2026 based on the recommendation of the Nomination and Remuneration Committee ("Committee") at its meeting held on November 02, 2026, and subject to approval of the Members of the Company, have consented the proposal for ratification of the Scheme 2021.

The ESOP 2021 is in compliance with the SEBI SBEB & SE Regulations. Pursuant to the ESOP 2021, a maximum of 25,00,000 options may be granted to eligible employees (as defined under the ESOP 2021), which may result in not more than 25,00,000 Equity Shares of ₹ 1 each.

The ESOP 2021 is being implemented through **ESDS Employee Benefit Trust** and is administered by the Nomination and Remuneration Committee. As on the date of this Notice, the ESDS Employee Benefit Trust holds 1,277,494 Equity Shares of ₹ 1 each in connection with the ESOP 2021. The settlors of the ESDS Employee Benefit Trust are ESDS Software Solution Limited ('the Company') and Mrs. Sarla Prakashchandra Somani and the trustees are Gajendra Medhi and Megha Gupta.

Out of this total pool, Mrs. Sarla Prakashchandra Somani has gifted 22,00,000 Equity shares to the ESDS Employees Benefit Trust and 182,094 Equity shares were allotted by the Company on Rights basis on December 12, 2021 aggregating to 23,82,094 Equity Shares in ESOP-2021 pool.

The equity shares required on exercise of 1,17,906 Options, being the shortfall against the 25,00,000 ceiling, may be sourced by any one or more of the following modes, as may be determined by the Nomination and Remuneration Committee, subject to the SEBI SBEB & SE Regulations and other Applicable Laws:

a. acquisition of equity shares from the secondary market, subject to necessary approvals in accordance with applicable Law, by an employee welfare trust set up by the Company, within the limits prescribed under Regulation 3 of the SEBI SBEB & SE Regulations; and/or

b. gift of equity shares to such trust by the promoters or any other person, subject to Applicable Laws.

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

Particulars	Total
Total number of options which may be granted under the ESOP 2021 **(A)**	2,500,000
Total Options granted **(B)***	2,735,500
Options forfeited/lapsed/cancelled **(C)**	926,500
Options vested (excluding options that have been exercised) **(D)**	92,400
Unvested options in force **(E)**	612,000
Options exercised	1,104,600
Money realised by exercise of options by the ESDS Employee Benefit Trust * (in ₹)	71,799,000
Total Equity Shares of ₹ 1 each transferred by the ESDS Employee Benefit Trust pursuant to exercise of options	1,104,600
Total number of options in force (F=D+E)	704,400
Total Equity Shares of ₹ 1 each to be transferred by the ESDS Employee Benefit Trust pursuant to exercise of options in force (vested options and unvested options) *	704,400
Remaining pool of options **(G=A-B+C)**	691,000

*ESOP 2021 is implemented through the trust route i.e., through the ESDS Employee Benefit Trust. Accordingly, **upon valid exercise of options held by the option grantees, Equity Shares will be transferred by the ESDS Employee Benefit Trust** to the relevant option grantee and **no fresh Equity Shares shall be issued by our Company**.

* 27,35,500 options granted against a 25,00,000 ceiling. This is because lapsed options were re-granted prior to listing.

The brief particulars of the Pre-IPO ESDS Employees Stock Ownership Plan – 2021 in terms of the SEBI SBEB & SE Regulations and Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is mentioned below:

Sr. No.	Particulars	Details
A	Brief Description of the Scheme	ESOP 2021 contemplates grant of employee stock options to the eligible employees including directors (excluding promoters and independent directors) of the Company, as may be determined in due compliance of extant law and provisions of ESOP 2021. After vesting of employee stock options, the employee stock option grantee earns a right (but not obligation) to exercise the vested employee stock options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The ESOP 2021 shall be implemented through the ESDS Employee Benefit Trust ("ESOP Trust") and administered by the Nomination and Remuneration Committee. All questions of interpretation of the ESOP 2021 shall be determined by the Nomination and Remuneration Committee and such determination shall be final and binding upon all persons having an interest in the ESOP 2021.

Notice to Shareholders

Sr. No.	Particulars	Details
B	the total number of options, SARs, shares or benefits, as the case may be, to be offered and granted	A total of 25,00,000 (Twenty-Five Lakhs) employee stock options would be available for being granted to eligible employees of the Company under ESOP 2021 in one or more tranches, which in aggregate shall be exercisable into not more than 25,00,000 (Twenty-five Lakhs) equity shares of the Company. Each employee stock option when exercised would be converted into one equity share of ₹ 1/- of the Company each fully paid-up. Employee stock options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the eligible employees or otherwise, would be available for being re-granted at a future date. The Committee is authorised to re-grant such lapsed / cancelled options as per ESOP 2021. In case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the employee stock options granted, adjusting the number and price of the employee stock options such that the total value of the employee stock options in the hands of the employee stock option grantee remains the same after such corporate action, and allowing the vesting period and life of the employee stock options to be unaltered as far as possible to protect the rights of the employee stock option grantee.
C	Identification of classes of employees entitled to participate and be beneficiaries in the scheme	The following classes of employees are eligible to participate in ("Scheme') as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: i. an employee of the Company who has been exclusively working in India or outside India; or ii. a director of the Company, whether a whole – time director or not but excluding an independent director and a Promoter or member of the Promoter Group; or iii. an employee as defined in (i) or (ii) of a subsidiary or associate company, in India or Outside India. The above classes do not include— a) an employee who is a promoter or a person belonging to the promoter group of the Company; or b) a director who either himself / herself or through his / her relative or through anybody corporate, directly or indirectly, holds more than 10 per cent of the outstanding equity shares of the Company.
D	Requirements of vesting and period of vesting	The vesting period shall be determined by the Committee in accordance with applicable law and be provided in the letter of grant to be issued to the employee at the time of the issue of the employee stock options. The vesting period of employee stock options granted shall be a maximum of four years, and shall not be less than one year. The exact proportion in which and the exact period over which the employee stock options would vest would be determined by the Board, subject to the minimum vesting period of one year from the date of grant of employee stock options. The specific vesting schedule and vesting conditions subject to which vesting will take place will be outlined in the grant letter issued to each employee stock option grantee.
E	The maximum period within which the options shall be vested	The employee stock options granted shall vest not later than four years from the date of grant of such employee stock options or such other period as may be deemed fit by the Committee subject to minimum vesting period of one (1) year.

Vesting	% of Options granted
On completion of 1 year from grant	50%
On completion of 2 year from grant	20%
On completion of 3 year from grant	20%
On completion of 4 year from grant	10%

F	Exercise price, purchase price or pricing formula	The exercise price for the options granted shall be ₹ 65/- per equity share. The fair value of the employee stock options has been derived using the Black-Scholes Model.
G	Exercise period/ offer period and process of exercise/ acceptance of offer	The exercise period is of 4 (four) years after Vesting, or such extended period as may be deemed fit by the Committee and which may vary for different Employees, within which the Employee should Exercise his/ her vested Options
H	The appraisal process for determining the eligibility of employees for the scheme	The options shall be granted to the employees by the Committee in its absolute discretion, taking into consideration factors such as per performance appraisal, seniority, period of service, the role of the employee, and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

Sr. No.	Particulars	Details
I	Maximum number of options, shares, to be offered and issued per employee and in aggregate, if any	The maximum number of Options that may be granted to each Employee shall vary depending upon the designation and the appraisal / assessment process and shall not exceed 300,000 Options per eligible Employee, which is 0.26% of paid-up share capital of the Company as on date of this Notice. However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee in any tranche. However, the number of Options that can be granted to an Employee under this ESDS ESOP, 2021 shall not, at any time, be equal to or exceed one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option, without prior approval of the shareholders.
J	Maximum quantum of benefits to be provided per employee under a Scheme	The maximum quantum of benefit for the employees under the scheme and plan is the difference between the exercise price of the options and the market price of the Equity Shares of the Company.
K	Whether the Scheme is to be implemented and administered directly by the Company or through a trust	ESOP 2021 is implemented through the trust route i.e., through the ESDS Employee Benefit Trust and administered by the NRC.
L	The particulars of the trustee or employees in whose favor such shares are to be registered	The shares are registered in the name of ESDS Employees Benefit Trust.
M	The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any	An Irrevocable Trust in the nature of an employee welfare trust is formulated with the name "ESDS Employee Benefit Trust" having its registered office at Plot No. B-24 & 25, NICE Area, MIDC Satpur, Nashik, Maharashtra – 422007. The trustees are not related to the Promoters/ Directors/ Key Managerial Personnel of the Company.
N	Particulars of Trustees appointed	

Name	Occupation	Nationality
Gajendra Medhi	Professional	Indian
Megha Gupta	Professional	Indian

O	Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the trust or both	Upon valid exercise of options held by the option grantees, Equity Shares will be transferred by the ESDS Employee Benefit Trust to the relevant option grantee and no fresh Equity Shares shall be issued by our Company. Out of this total pool, Mrs. Sarla Prakashchandra Somani has gifted 22,00,000 Equity shares to the ESDS Employees Benefit Trust and 182,094 Equity shares were allotted by the Company on Rights basis on December 12, 2021 aggregating to 23,82,094 Equity Shares in ESOP-2021 pool. The equity shares required on exercise of 1,17,906 Options, being the shortfall against the 25,00,000 ceiling, shall be acquired by the Trust by way of voluntary contributions, gifts, or donations from any Person or by way of Secondary Acquisition, subject to necessary approvals in accordance with applicable Law
P	The amount of loan to be provided for implementation of the Scheme by the Company to the trust, its tenure, utilisation, Repayment terms, etc.	Not Applicable
Q	Maximum percentage of secondary acquisition that can be made by the Trust for the purposes of the Scheme	The Trustee will ensure that appropriate approval from the shareholders has been obtained by the Company in order to enable the Trust to implement the Scheme and undertake Secondary Acquisition within the limits permissible under SEBI SBEB & SE Regulations The secondary acquisition for the balance 1,17,906 Options is 0.11% of the paid-up equity share capital as on March 31, 2026, which is within the limits prescribed under Regulation 3(11) of the SEBI SBEB & SE Regulations. Approval of Members for secondary acquisition shall be sought separately before any such acquisition.

Notice to Shareholders

Sr. No.	Particulars	Details
R	A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	The Company shall follow the requirements including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.
S	The method which the Company shall use to value its options	The Company shall adopt 'fair value method' using Black Scholes model for valuation of Options as prescribed under Guidance Note or under any relevant accounting standard notified by appropriate authorities from time to time.
T	Lock-in period, if any	The equity shares of the Company issued pursuant to exercise of vested employee stock options shall not be subject to any lock-in period restriction except such restrictions particularly after listing of the equity shares of the Company as may be prescribed under applicable laws including under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the code of conduct framed, if any, by the Company after listing under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.
U	Terms & conditions for buyback, if any, of specified securities covered under these regulations	The procedure for buy-back of specified securities issued under the SEBI SBEB & SE Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including: (i) permissible sources of financing for buy-back; (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and (iii) limits upon quantum of specified securities that the Company may buy-back in a financial year. The Company presently has no proposal for buy-back of specified securities issued under the Scheme. Any such buy-back shall be undertaken in accordance with the Act and the SEBI (Buy-Back of Securities) Regulations, 2018.
V	Conditions under which vested options may lapse	Vested Options shall lapse in the following cases: (a) **Termination for Cause:** All unexercised Options, including vested Options, shall lapse on the date of termination. "**Cause**" includes misconduct, fraud, breach of trust, material breach of the employment agreement, disclosure of confidential information, working for another organisation, and any act the Committee determines to be detrimental to the Company. (b) **Resignation or other termination:** Vested Options not exercised in the Exercise Window(s) available within 1 (one) month from the date of termination shall lapse. If no Exercise Window is available within that month, they must be exercised in the next available Exercise Window, failing which they shall lapse. (c) **Completion of employment agreement:** Vested Options not exercised in the Exercise Window(s) available within the earlier of the expiry of the Exercise Period or 30 days from completion of employment shall lapse. If no Exercise Window is available within that period, they must be exercised in the next available Exercise Window, failing which they shall lapse. (d) **Death or permanent incapacity:** All Options vest immediately. Options not exercised in the Exercise Window(s) available within 6 (six) months, or within such extended period as the Committee may allow, shall lapse. (e) **Retirement:** Vested Options not exercised in the Exercise Window(s) available within 6 (six) months from the date of retirement shall lapse. For Options vesting after retirement, the 6 (six) months run from the date of vesting. Resignation to join a Subsidiary or Associate Company is treated as a transfer of employment, not a resignation, and shall not result in lapse.
W	Period within which the employee shall exercise vested options on proposed termination of employment or resignation	Refer Sr. No. V.
X	Voting rights in respect of shares held by the Trust	In terms of Regulation 3(4) of the SEBI SBEB & SE Regulations, the Trustees shall not vote in respect of the Equity Shares held by the ESDS Employee Benefit Trust.
Y	Interest of Promoters, Directors and KMP in the Scheme or the Trust and effect thereof	Promoters, members of the Promoter Group and Independent Directors are not eligible. Mrs. Sarla Prakashchandra Somani, a member of the Promoter Group, is a settlor of the Trust and gifted 22,00,000 Equity Shares to it; she is not a beneficiary. Other Directors/ KMP are interested only to the extent of options granted to them.
Z	Benefits accruing to employees	Option grantees may acquire Equity Shares at the exercise price on vesting, aligning their interests with those of the Members and aiding retention.
AA	Dilution	Nil. The Scheme is implemented through shares already held by the Trust; no fresh issue. Outstanding options of 7,04,400 represent 0.60% of the paid-up equity share capital as on date of this Notice.
AB	Options granted to Directors/ KMP/ Senior Management (cumulative)	**Name of Directors/ KMP/ Senior Management** — **Number of options** Sameer Suresh Redij — 3,500 Nadukuru Sita Ramaiah — 10,000 Prasad Deochand Deokar — 25,000 Gaurav Sanjay Godse — 38,000 Sajiv Gangadharan Nair — 10,000 Ashok Pomnar — 5,000 Exercise price – ₹ 65/-
AC	Exercise price of options granted so far	₹ 65 per option. Closing price on NSE on October 30, 2026, being the trading day preceding the Board meeting: ₹1,160)
AD	Grant to employees of subsidiary / associate company(ies)	Separate approval under Regulation 6(3)(c) of the SEBI SBEB & SE Regulations is sought vide Item No. 6.
AE	Performance conditions for vesting	Vesting is time-based, subject to continued employment specified in the grant letter.
AF	Estimated cost to the Company	Fair value of options outstanding: ₹12.93 million; employee stock option expense charged for FY 2025-26: ₹ 414,910/- (Black-Scholes model).

The ratification does not involve any variation in the terms of ESOP 2021. A copy of ESOP 2021 is available for inspection as stated in the Notes.

Disclosure pursuant to Regulation 13 and 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the financial year ended March 31, 2026 is provided at web-link mentioned in point no. 30 of Board's Report.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 and 6, except to the extent of the options that have been/ may be granted to them under ESOP 2021 and their shareholding in the Company, if any. Mr. Sameer Suresh Redij, Whole-time Director, Mr. Nadukuru Sita Ramaiah, Chief Financial Officer, and Mr. Prasad Deochand Deokar, Company Secretary and Compliance Officer, may be deemed to be interested in these resolutions to the extent of the options granted to them, as disclosed in Sr. No. AB above.

The Board recommends the Special Resolution set out at Item No. 5 and 6 of the Notice for approval of the Members.

ITEM No. 7 & 8

The Company has adopted "ESDS Employee Stock Option Plan 2024" **("ESOP 2024"/ "Scheme 2024"/ "Pre-IPO Scheme 2024")** approved by the Board of Directors in their meeting held on December 06, 2024 and by the Shareholders in their meeting held on January 25, 2025, prior to the listing of the Equity Shares (IPO) of the Company on both the Stock Exchanges on September 04, 2026.

In terms of Regulation 12(1) of the SEBI (SBEB) Regulations, as amended from time to time, no company shall make any fresh grant of employee stock options which involves allotment or transfer of shares to its employees under any schemes/ plans formulated prior to its Initial Public Offering ("IPO") and prior to the listing of its Equity Shares ("Pre-IPO Scheme") unless such Pre-IPO Scheme (i) is in conformity with the SEBI (SBEB) Regulations; and (ii) is ratified by its Shareholders subsequent to the IPO. Further, as per proviso to Regulation 12(1) of the SEBI (SBEB) Regulations, the ratification under clause (ii) may be done any time prior to grant of new options or shares under such pre-IPO scheme/ plan.

Notice to Shareholders

In terms of Regulation 6(3)(c) of the SEBI SBEB & SE Regulations, a separate resolution of the Members is required for grant of options to employees of a group company, including a subsidiary or an associate company. ESOP 2024 extends to eligible employees of the subsidiary and associate company(ies) of the Company. As these approvals were obtained prior to the listing of the Equity Shares, their ratification is sought under Regulation 12(1) of the SEBI SBEB & SE Regulations.

Considering that the Company undertook the IPO of its Equity Shares, and its Equity Shares got listed on the BSE Limited and the National Stock Exchange of India Limited with effect from September 04, 2026, in terms of the Regulation 12(1) of the SEBI (SBEB) Regulations, the Company seeks approval from its shareholders to ratify the Scheme 2024.

In case the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the Employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("**EPS**") of the Company shall also be disclosed in the Directors' report.

The Board on Monday, November 2, 2026 based on the recommendation of the Nomination and Remuneration Committee ("Committee") at its meeting held on November 02, 2026 and subject to approval of the Members of the Company, have consented the proposal for ratification of the Scheme 2024.

The ESOP 2024 is in compliance with the SEBI SBEB & SE Regulations. Pursuant to the ESOP 2024, a maximum of 30,00,000 options may be granted to eligible employees (as defined under the ESOP 2024), which may result in not more than 30,00,000 Equity Shares of ₹ 1 each.

The ESOP 2024 is being administered and supervised by the Nomination and Remuneration Committee of the Company.

Details of grants, exercise and lapsed options (on a cumulative basis) pursuant to the ESOP 2024 as on the date of this Notice are as follows:

Particulars	ESOP 2024
Total number of options which may be granted under the ESOP 2024 **(A)**	3,000,000
Total Options granted **(B)**	2,570,000
Options forfeited/ lapsed/ cancelled **(C)**	295,000
Vested options in force **(D)**	178,300
Unvested options in force **(E)**	2,096,700
Options exercised	Nil
Money realised by exercise of options	Nil
Number of Equity Shares of ₹ 1 each issued pursuant to exercise of options	Nil
Total number of options in force **(F=D+E)**	2,275,000
Number of Equity Shares of ₹ 1 each to be issued pursuant to exercise of options in force (vested options and unvested options)	2,275,000
Remaining pool of options **(G=A-B+C)**	725,000

The brief particulars of the Pre-IPO ESOP 2024 in terms of the SEBI SBEB & SE Regulations and Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is mentioned below:

Sr. No.	Particulars	Details
A	Brief Description of the Scheme	ESOP 2024 contemplates grant of employee stock options to the eligible employees including directors (excluding promoters and independent directors) of the Company, as may be determined in due compliance of extant law and provisions of ESOP 2024. After vesting of employee stock options, the employee stock option grantee earns a right (but not obligation) to exercise the vested employee stock options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.
B	the total number of options, SARs, shares or benefits, as the case may be, to be offered and granted	A total of 30,00,000 (Thirty Lakhs) employee stock options would be available for being granted to eligible employees of the Company under ESOP 2024 in one or more tranches, which in aggregate shall be exercisable into not more than 30,00,000 (Thirty Lakhs) equity shares of the Company. Each employee stock option when exercised would be converted into one equity share of ₹ 1/- of the Company each fully paid-up. Employee stock options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the eligible employees or otherwise, would be available for being re-granted at a future date. The Committee is authorised to re-grant such lapsed / cancelled options as per ESOP 2024. In case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the employee stock options granted, adjusting the number and price of the employee stock options such that the total value of the employee stock options in the hands of the employee stock option grantee remains the same after such corporate action, and allowing the vesting period and life of the employee stock options to be unaltered as far as possible to protect the rights of the employee stock option grantee.
C	Identification of classes of employees entitled to participate and be beneficiaries in the scheme	The following classes of employees are eligible to participate in ("Scheme-2024') as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: i. an employee of the Company who has been exclusively working in India or outside India; or ii. a director of the Company, whether a whole – time director or not but excluding an independent director and a Promoter or member of the Promoter Group; or iii. an employee as defined in (i) or (ii) of a subsidiary or associate company, in India or Outside India. The above classes do not include— a) an employee who is a promoter or a person belonging to the promoter group of the Company; or b) a director who either himself / herself or through his / her relative or through anybody corporate, directly or indirectly, holds more than 10 per cent of the outstanding equity shares of the Company.
D	Requirements of vesting and period of vesting	The options granted shall vest so long as the employee continues to be in the employment of the Company. The vesting of options granted under the Plan shall not vest earlier than minimum period of 1 year.
E	The maximum period within which the options shall be vested	The employee stock options granted shall vest not later than four (4) years from the date of grant of such employee stock options or as per the Vesting schedule specified in the Grant Letter. **Vesting** / **% of Options granted** On completion of 1 year from grant — 10% On completion of 2 year from grant — 30% On completion of 3 year from grant — 40% On completion of 4 year from grant — 20%
F	Exercise price, purchase price or pricing formula	It shall be the decided by the Nomination and Remuneration Committee and may be different for different set of employees for options granted on same / different dates. Once granted, the exercise price of the options may be varied by the Nomination and Remuneration Committee to account for any rights issues, mergers, stock splits, bonus issue or share consolidations etc. Any re-pricing shall be subject to Regulation 7 of the SEBI SBEB & SE Regulations, including prior approval of the Members by special resolution. The exercise price for the options granted so far is ₹225/- per equity share. Exercise Price for Future grants will be as determined by the NRC, not below face value. The fair value of the employee stock options has been derived using the Black-Scholes Model.
G	Exercise period/ offer period and process of exercise/ acceptance of offer	Exercise period: **Prior to Listing** The vested options with an option grantee while in employment / service with the Company may be exercised only upon or directly prior to the happening of a liquidity event, in whole or in part. **Post Listing** Vested options can be exercised by the in-service employees anytime within 3 (three) years from the date of vesting during the exercise window opened by Nomination and Remuneration Committee, failing which the vested options shall automatically lapse. Options vested before listing can be exercised within three years from their original vesting date. Note that in case of separation for employment, the exercise period shall be as per the ESOP 2024.

Notice to Shareholders

Sr. No.	Particulars	Details
H	The appraisal process for determining the eligibility of employees for the scheme	The options shall be granted to the employees by the Committee in its absolute discretion, taking into consideration factors such as per performance appraisal, seniority, period of service, the role of the employee, and such other criteria as may be determined by the Committee at its sole discretion, from time to time.
I	Maximum number of options, shares, to be offered and issued per employee and in aggregate, if any	The maximum number of Options that may be granted to each Employee shall vary depending upon the designation and the appraisal / assessment process and shall not exceed 500,000 Options per eligible Employee, which is 0.43% of paid-up equity share capital of the Company as on date of this Notice, However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee in any tranche. However, the number of Options that can be granted to an Employee under this ESDS ESOP 2024 shall not, at any time, be equal to or exceed one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option, without prior approval of the shareholders.
J	Maximum quantum of benefits to be provided per employee under a Scheme	The maximum quantum of benefit for the employees under the scheme and plan is the difference between the exercise price of the options and the market price of the Equity Shares of the Company.
K	Whether the Scheme is to be implemented and administered directly by the Company or through a trust	The ESOP 2024 is implemented and administered directly by the Company under the guidance of the Board / Nomination and Remuneration Committee of the Company.
L	Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the trust or both	Since the ESOP shall be granted directly to the employees (without trust route), this route would involve new/ fresh issue of shares by the Company.
M	The amount of loan to be provided for implementation of the Scheme by the Company to the trust, its tenure, utilisation, Repayment terms, etc.	Not Applicable
N	Maximum percentage of secondary acquisition that can be made by the Trust for the purposes of the Scheme	Not applicable
O	A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	The Company shall follow the requirements including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.
P	The method which the Company shall use to value its options	The Company shall adopt fair value method for valuation of the employee stock options as prescribed under guidance note or under any relevant accounting standard notified by appropriate authorities from time to time. In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the cost that shall have been recognised if it had used the fair value of the employee stock options, shall be disclosed in the directors' report and also the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the directors' report.
Q	Lock-in period, if any	The equity shares of the Company issued pursuant to exercise of vested employee stock options shall not be subject to any lock-in period restriction except such restrictions particularly after listing of the equity shares of the Company as may be prescribed under applicable laws including under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the code of conduct framed, if any, by the Company after listing under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.
R	Terms & conditions for buyback, if any, of specified securities covered under these regulations	The procedure for buy-back of specified securities issued under the SEBI SBEB & SE Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including: (i) permissible sources of financing for buy-back; (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and (iii) limits upon quantum of specified securities that the Company may buy-back in a financial year. The Company presently has no proposal for buy-back of specified securities issued under the Scheme. Any such buy-back shall be undertaken in accordance with the Act and the SEBI (Buy-Back of Securities) Regulations, 2018.
S	Conditions under which vested options may lapse	On resignation or termination (other than for the reasons below), unvested Options shall be cancelled. Vested Options shall be exercised within the notice period; post listing, this means the Exercise Window(s) available within the notice period, or the next available Exercise Window if none falls within it. On termination for misconduct, or for breach of the code of conduct, Company policies or terms of employment, all vested and unvested Options shall be cancelled. On abandonment of employment, all Options shall likewise be cancelled, from a date decided by the Compensation Committee. On retirement, prior to listing, vested Options may be exercised only on or just before a Liquidity Event, and unvested Options shall be cancelled. Post listing, vested Options shall be exercised within 3 (three) years from retirement. Unvested Options shall continue to vest as per the original schedule, and each tranche shall be exercised within 1 (one) year from its vesting date. On death or permanent incapacity, all unvested Options shall vest immediately. Prior to listing, the Options may be exercised only on or just before a Liquidity Event. Post listing, they shall be exercised within 3 (three) years from the date of death or incapacity. In case of death, the Options shall be exercised by the nominee or legal heir. On separation for any other reason, unvested Options shall be cancelled, and the Compensation Committee shall decide whether vested Options may be exercised. Vested Options not exercised within the above periods shall lapse. The Compensation Committee may extend the Exercise Period, subject to the SEBI SBEB & SE Regulations.
T	Period within which the employee shall exercise vested options on proposed termination of employment or resignation [Rule 12(2)(l)]	In case of proposed termination/ resignation of an employee (except due to misconduct) all vested options as on the date of submission of resignation shall be exercisable by the Option Grantee within the Exercise Window(s) available during the notice period or, where no Exercise Window falls within the notice period, in the next available Exercise Window.
U	Interest of Promoters, Directors and KMP in the Scheme	Promoters, members of the Promoter Group and Independent Directors are not eligible. Other Directors/ KMP are interested only to the extent of options granted to them.
V	Dilution	Maximum 30,00,000 Equity Shares, i.e. 2.56% of the paid-up equity share capital as on the date of this Notice (options in force: 22,75,000, i.e. 1.94%).
W	Options granted to Directors/ KMP/ Senior Management (cumulative)	**Name of Directors/ KMP/ Senior Management** — **Number of options** Sameer Suresh Redij — 25,000 Nadukuru Sita Ramaiah — 40,000 Prasad Deochand Deokar — 50,000 Ashok Pomnar — 50,000 Gaurav Sanjay Godse — 88,000 Sajiv Gangadharan Nair — 50,000 Exercise price – ₹ 225/-
X	Exercise price of options granted so far	₹ 225 per option (closing price on NSE on October 30, 2026, being the trading day preceding the Board meeting: ₹ 1,160)

Notice to Shareholders

Sr. No.	Particulars	Details
Y	Grant to employees of subsidiary / associate company(ies)	Separate approval under Regulation 6(3)(c) of the SEBI SBEB & SE Regulations is sought vide Item No. 8.
Z	Performance conditions for vesting	Vesting is subject to (i) continued employment on the relevant vesting date, and (ii) the individual performance of the Option Grantee for the year preceding each vesting date. Performance is assessed annually under the Company's Performance vs Potential Matrix. The Head of Department rates the Option Grantee against ten defined performance criteria. These cover: • achievement of job expectations and performance goals; • collaboration with colleagues and stakeholders; • process innovation resulting in time or cost savings; • performance under challenges; • impact on team outcomes; • upskilling of team members; • consistency of performance; • criticality to the department; and • contribution to major departmental initiatives. This gives a performance score on a scale of 0 to 10. The performance parameters for each year are communicated to the Option Grantee by 30th June of that financial year. The number of Options vesting in each tranche depends on the performance score as follows: **Performance score** / **Performance level** / **% of tranche** 8 – 10 / High / 100% 4 – 7 / Medium / 70% 0 – 3 / Low / Nil Options that do not vest because of the performance condition shall lapse and be available for re-grant under clause 3.4 of the ESOP 2024. In the event of death or Permanent Incapacity, all Options shall vest immediately, without application of the performance condition, in terms of Regulation 9 of the SEBI SBEB & SE Regulations.
AA	Estimated cost to the Company	Fair value of options outstanding: ₹ 47.47 million; employee stock option expense charged for FY 2025-26: ₹ 45,727,612/- (Black-Scholes model).

The ratification does not involve any variation in the terms of ESOP 2024. A copy of ESOP 2024 is available for inspection as stated in the Notes.

Disclosure pursuant to Regulation 13 and 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the financial year ended March 31, 2026 is provided at web-link mentioned in point no. 30 of Board's Report.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 7 and 8, except to the extent of the options that have been/ may be granted to them under ESOP 2024 and their shareholding in the Company, if any. Mr. Sameer Suresh Redij, Whole-time Director, Mr. Nadukuru Sita Ramaiah, Chief Financial Officer, and Mr. Prasad Deochand Deokar, Company Secretary and Compliance Officer, may be deemed to be interested in these resolutions to the extent of the options granted to them, as disclosed in Sr. No. W above.

The Board recommends the Special Resolution set out at Item No. 7 and 8 of the Notice for approval of the Members.

Annexure A

Details of the Director seeking re-appointment at the AGM

[Pursuant to Regulation 36(3) of SEBI LODR and Secretarial Standard-2]

Sr. No.	Particulars	Details
1	Name and DIN	Ms. Komal Piyush Somani (DIN: 08477154)
2	Date of birth and age	01.06.1986, 40 years
3	Nationality	Indian
4	Date of first appointment on the Board	July 28, 2021
5	Category/ designation	Whole-time Director (Executive Director – Promoter)
6	Qualifications	Bachelor's Degree in Engineering
7	Brief resume, experience and expertise in specific functional areas	Ms. Komal Somani, Whole-time Director, is also Chief Human Resource Officer and Chief Marketing Officer of our Company. She holds a Bachelor's Degree in Engineering from the University of Pune. She has been associated with our Company since September 01, 2012. Under her leadership the Company has won FE Excellence in Leadership Development (Silver) Award and ET Learning & Development (Gold) Award for best learning culture during FY 2025. She has also won several awards and recognitions such as one of the 50 Most Fabulous Happiness Leaders at the World Happiness Congress 2023, "Most Innovative Woman of the Year – 2018" at the 2nd She Leads Summit and Awards, 2018, was ranked amongst the 50 Most Innovative HR Technology Leaders 2017, and amongst the 25 Most Innovative HR Tech Leaders – 2016 at the Asia Pacific HRM Congress. She has been honoured with Maharashtra Nari Ratna Award 2017, Tejaswini Sanmaan by Swaraj in 2017 and Nashik Best HR Leaders – 2017. She was also awarded as HR Leader of the Year-2024 by The Economic Times Human Capital Awards and Best Learning Culture Award - Gold Category - ETHRWORLD Future Skills Awards 2024.
8	Terms and conditions of re-appointment	Re-appointment as a Director liable to retire by rotation. Her re-appointment as a Director liable to retire by rotation shall not constitute a break in her tenure as Whole-time Director, which continues on the terms approved by the Members through Postal Ballot concluded on June 18, 2026.
9	Remuneration last drawn (FY 2025-26) and remuneration proposed	₹ 75,00,000/- per annum. No change proposed; remuneration as approved by Members through postal ballot concluded on October 12, 2026
10	Shareholding in the Company, including as a beneficial owner	10,174,322 Equity Shares (8.68%)
11	Relationship with other Directors, Manager and KMP	Spouse of Mr. Piyush Somani, Chairman and Managing Director
12	Number of Board meetings attended during FY 2025-26	Number of meetings held: 6 Number of meetings attended: 6
13	Directorships in other companies	Resvera Wines Limited; Imanes Private Limited
14	Directorships in other listed entities	Nil
15	Chairmanship/ membership of Committees of other Boards (Audit and Stakeholders' Relationship Committees)	Nil
16	Listed entities from which resigned in the past three years	Nil
17	Skills and capabilities required for the role and how the appointee meets them	Not applicable (not an Independent Director)
18	Confirmation under BSE circular LIST/ COMP/14/2018-19 and NSE circular NSE/ CML/2018/24, both dated June 20, 2018	Ms. Komal Piyush Somani is not debarred from holding the office of Director by virtue of any order of SEBI or any other such authority.

Ms. Komal Piyush Somani and Mr. Piyush Somani, Chairman and Managing Director, being related to each other, and their relatives are interested in the resolution set out at Item No. 3. Save as aforesaid, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested in the said resolution, financially or otherwise, except to the extent of their shareholding, if any. Except the Appointee, all the related persons / entities will be eligible to participate in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 for approval of the Members.

Notes



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