



SEC/SE/045/23-24  
Chennai, July 18, 2023

**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
P J Towers, Dalal Street,  
Mumbai – 400 001  
Scrip Code: 533121

**National Stock Exchange of India Limited,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051  
Symbol: EXPLEOSOL

**Sub: Submission of Annual Report for the Financial Year 2022-23 along with Notice of 25<sup>th</sup> Annual General Meeting.**

---

Dear Sir/Madam,

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report for the Financial Year 2022-23 along with Notice of 25<sup>th</sup> Annual General Meeting of the Company.

You are requested to take the above on record and oblige.

Thanking you,

Yours faithfully,  
For Expleo Solutions Limited

S. Sampath Kumar  
Company Secretary and Compliance Officer  
Membership No. FCS 3838

Encl : As above.

FY  
2022 -23

EXPLEO SOLUTIONS LIMITED

# Annual Report



Think bold, act reliable

( expleo )

# Corporate information

## **BOARD OF DIRECTORS**

Ralph Franz Gillessen  
Chairman and Non-Executive Director

Prof. K. Kumar  
Deputy Chairman & Independent Director

Balaji Viswanathan  
Managing Director & CEO

Prashant Eknath Bramhankar  
Whole-time Director & COO

Lilian Jessie Paul  
Independent Director

Prof. S. Rajagopalan  
Independent Director

Rajesh Krishnamurthy  
Non-Executive Director

Rajiv Kuchhal  
Independent Director

Ulrich Bäumer  
Independent Director

**CHIEF FINANCIAL OFFICER** Desikan Narayanan

**COMPANY SECRETARY** S. Sampath Kumar

**AUDITORS** Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Esplanade House, 29, Hazarimal Somani Marg, Fort  
Mumbai – 400 001.

**INTERNAL AUDITORS** V. Chandrasekharan & Associates  
Chartered Accountants  
1<sup>st</sup> Floor, Kalpataru Complex, No.44, C.P. Ramaswamy Road,  
Alwarpet, Chennai – 600 018.

**BANKERS** ICICI Bank Limited  
Bazullah Road, T. Nagar, Chennai – 600 017.

The Hongkong and Shanghai Banking Corporation Limited  
Cathedral Road, Chennai – 600 086.

DBS Bank India Limited  
Cathedral Road, Chennai – 600 086.

**LEGAL ADVISORS** S. Ramasubramaniam & Associates  
New No.13/1, Bishop Wallers Avenue,  
West Mylapore, Chennai – 600 004.

**REGISTRAR AND SHARE  
TRANSFER AGENTS** Cameo Corporate Services Limited  
'Subramanian Building', No.1, Club House Road, Chennai – 600 002.  
Tel. +91 44 2846 0390 / +91 44 4002 0700, email: [investor@cameoindia.com](mailto:investor@cameoindia.com)  
website: <https://cameoindia.com>

**REGISTERED OFFICE** 6A, Sixth Floor, Prince Infocity II, No.283/3 & 283/4  
Rajiv Gandhi Salai (OMR), Kandanchavadi  
Chennai – 600 096, Tel. +91 44 4392 3200  
email: [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com)  
website: <https://investors.expleo.com/>

# contents

---

05 Letter to the Shareholders

---

08 Performance Highlights

---

09 Boards' Report

---

30 Annexure to Boards' Report

---

48 Management Discussion and Analysis

---

54 Report on Corporate Governance

---

75 Certifications

---

81 Business Responsibility and Sustainability Report

---

---

## STANDALONE FINANCIAL STATEMENTS

---

113 Independent Auditor's Report

---

125 Balance Sheet

---

126 Statement of Profit and Loss

---

127 Statement of Change in Equity

---

128 Statement of Cash Flow

---

130 Notes

---

---

## CONSOLIDATED FINANCIAL STATEMENTS

---

187 Independent Auditor's Report

---

195 Balance Sheet

---

196 Statement of Profit and Loss

---

197 Statement of Change in Equity

---

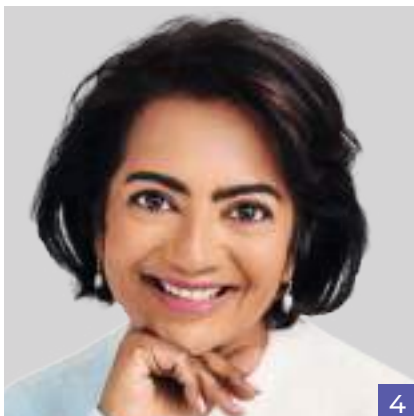
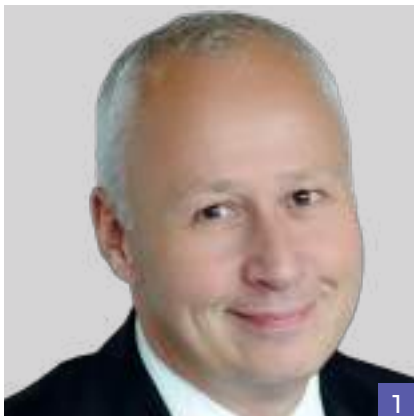
199 Statement of Cash Flow

---

200 Notes

---

## Board of Directors



## 1. RALPH GILLESSEN

### Chairman & Non-Executive Director

Ralph Gillesen is the Chairman & Director (Non-Executive) of Expleo Solutions Limited.

Ralph Gillesen is Executive Vice President of Expleo Group and Managing Director of Expleo Germany Holding BV providing the global leadership of the sales teams and is responsible for assuring client delivery and resource management for all Expleo Quality and Management Consulting activities.

He ensures that the company has the proper operational controls, procedures, and systems in place to effectively grow the organisation and to ensure financial strength and operational efficiency.

Ralph has joined SQS in 2002 and has worked in various senior sales and consultancy positions. He entered the SQS management board in January, 2013 and is a member of Expleo Group Executive Committee since January, 2018.

## 2. PROF. K. KUMAR

### Deputy Chairman & Independent Director

Kumar is Deputy Chairman and Independent Director of Expleo Solutions Limited.

He has over three decades of experience as a corporate manager, consultant, entrepreneur and in academia, Kumar holds a bachelor's degree in Electrical & Electronics Engineering (Madurai Kamaraj University) and obtained both the PGDM and Fellowship (Doctoral level) qualifications from the Indian Institute of Management, Bengaluru (IIM-B). He served as Professor of Entrepreneurship at Indian Institute of Management, Bengaluru (IIM-B) till his retirement and was involved in teaching, research, and entrepreneurship promotion initiatives. His corporate experience includes a management consulting role at Tata Consultancy Services (1991-95) and as CEO (1995-2001) and President (2005-2006) of Trigent Software Ltd.

## 3. BALAJI VISWANATHAN

### Managing Director & CEO

Experienced in Consumer & Market Research, Branch Banking and Sales, Product Management, Operations, Information Technology and Overall P&L Ownership.

In a career spanning 30 years (33 years including Market research and Field sales while in part-time college), Balaji has been with the Banking and Payment Card Industry for over 15 years and with Technology and Process Outsourcing for over a decade.

Played a pivotal role for 12 plus years in developing two start-up Banks (HDFC Bank and YES Bank) and three years with a Global Payment Franchise (MasterCard) supporting their Operations and Technology for APAC. In the Tech and Process outsourcing Industry, associated with IBM Daksh (later acquired by Concentrix) for nine (9) years across Solutions, Pre-Sales, Global Delivery for the BFSI sector. Was with Jio Payments Bank as COO before joining Expleo in 2018.

Held Global and Regional Leadership positions responsible for setting up Systems and Processes for Retail Banking, Commercial Banking, Cards, Risk Management, Customer Relationship Management, Technology and Process outsourcing.

In a nutshell, a technology enthusiast and keen to understand the business application of technology.

On the personal front working with 3 organizations in Tamil Nadu and Karnataka on education/vocational training for the underprivileged, differently abled and environment protection.

Graduate in Physics, Cost Accountant, Graduate member of the Indian Institute of Bankers, Executive MBA.

### Recent accolades:

- Certified in Automation using open source, Data Science and Big Data, Artificial Intelligence and Blockchain. Certification on Open AI.
- Recognised as Asia's Most Promising Business Leader by Economic Times – 2021-2022 & 2022-2023
- Inducted into the Economic Times India Leadership Council.
- Part of NASSCOM regional council, CII TN CEO Forum and Indian Management Association.

## 4. LILIAN JESSIE PAUL

### Independent Director

Jessie Paul has 28 years of experience as a marketer. She was Global Brand Manager of Infosys, headed marketing for iGATE (now part of CapGemini) and was Chief Marketing Officer of Wipro Technologies. She commenced her career with Ogilvy & Mather Advertising.

In 2010, Jessie founded Paul Writer ([www.paulwriter.com](http://www.paulwriter.com)), a marketing advisory firm that works with clients to design go to market strategies and brand blueprints.

Jessie is frequently cited as a marketing expert in publications and is the author of two books on frugal marketing - Marketing Without Money, published by Bloomsbury in 2021 and No Money Marketing, published by Tata McGraw-Hill in 2009. She publishes India's longest running marketing newsletter that reaches India's top business leaders.

She holds an MBA from Indian Institute of Management, Calcutta, and a bachelor's degree in computer science and engineering from National Institute of Technology, Trichy. Jessie has been invited to serve on the boards of multiple listed organizations as an independent director.

## 5. PRASHANT EKNATH BRAMHANKAR

### Whole-time Director & COO

*Steering over 5000+ talents to drive 250-plus customer engagements for the Engineering and Technology business.*

Prashant Bramhankar is a seasoned professional with over 30 years of experience spanning the length and breadth of the technology and engineering industry. As the Chief Operating Officer at Expleo, he ensures operational excellence and leads a dynamic team that supports projects in diverse sectors (Automotive, BFSI, Aerospace, Healthcare, Life Science, Energy & Utilities) across the globe, with a focus on Southeast Asia, the Middle East, the UK, Europe, and North America.

His technical expertise and business acumen allow him to comprehend client needs, create solutions, develop capabilities, and execute strategic plans that drive growth.

He is actively involved in hiring, retention, finance, and branding activities. Prashant strongly believes in the power of people and is deeply committed to building and nurturing talent. His comprehensive portfolio and able leadership led him to be recognized as Asia's Most Promising Business Leader by Economic Times consecutively in 2022 and 2023.

With a strong background in mechanical engineering, Prashant started his career at Premier Automobiles. He played a vital role in the indigenous Tata Indica project at Tata Motors, also his transition point into the IT side of engineering. In multiple positions, Prashant spent 16 significant years with Siemens Digital Industry Software. From there, he joined SQS (now Expleo) in 2015 to head the global "Automotive and Manufacturing" business. His career trajectory is testimony to his belief in horizontal growth and inspires the next generation of the workforce to chase their dreams and make space for learning and development.

A mechanical engineer and an alumnus of IIM-Ahmedabad and the University of Cologne, Prashant is also an active member of the prestigious IMA India and SEAP.

Apart from his love for all things engineering, Prashant is an avid Trekker and enjoys cooking. Trekking is his stressbuster, and he has completed 11 treks on the Indian side of the Himalayas. With a combination of technical expertise, diverse industry experience, a relentless drive for success, and a passion for adventure and cooking, Prashant is a well-rounded leader who brings a unique perspective to his role as COO.

## 6. PROF. S. RAJAGOPALAN

### Independent Director

Rajagopalan is an Independent Director of Expleo Solutions Limited.

He is a Bachelor of Technology (B.Tech) in Chemical Engineering from Indian Institute of Technology, Delhi, Post Graduate Diploma in Management from Indian Institute of Management, Bengaluru and a Ph.D from Indian Institute of Technology, Kanpur. He was the CEO of the Karnataka State Council for Science and Technology for 14 years and also was Founder and Chairman of TIDE an NGO. He was awarded Ashoka Fellowship in the year 1984, Fellow of the Salzburg Seminar in the year 1999 and finalist of Social Entrepreneur of the year in 2006. Prof. S. Rajagopalan was elected as one of the 50 pioneers of change by India Today Magazine in the year 2008. Since 2008, he is a professor at the International Institute of Information Technology, Bengaluru.

## 7. RAJESH KRISHNAMURTHY

### Non-Executive Director

Rajesh Krishnamurthy is the Non-Executive Director of Expleo Solutions Limited.

Rajesh Krishnamurthy joined Expleo Group as Chief Executive Officer on July 15, 2020. He will accelerate Expleo Group strategic transformation roadmap, with a strong

focus on digitalizing its services and scaling its global delivery capabilities.

Prior to joining Expleo, Rajesh was Chief Technology and Transformation Officer for the CMA CGM Group, the French shipping and logistics leader since February 2018. He was mandated to harness organizational change to embrace digital transformation and drive new growth. He was responsible for Group IT, digital and shared services centers across the globe.

He started his career in 1992 at Infosys, a global IT and consulting major and was an integral part of the Infosys success story and growth. At Infosys, he was President of the company's industry divisions, focused on Energy, Utilities and Telco markets globally. He was also responsible for the European region and the Infosys Global Consulting organization.

Rajesh Krishnamurthy is a Bachelor in Electronics Engineering from the University of Pune, India

## 8. RAJIV KUCHHAL

### Independent Director

Rajiv is an Independent Director of Expleo Solutions Limited.

He has more than 30 years of management experience with 16 years in Infosys. He was instrumental in establishing of product engineering services practice at Infosys, heading the practice till 2001. Rajiv was one of the founding members of Infosys BPO (earlier Progeon), the business process outsourcing (BPO), subsidiary of Infosys Technologies, where he was the Head of Operations and subsequently, the Head of Business Transformation. He subsequently worked with OnMobile as its Chief Operating Officer. Rajiv is an angel investor, and a General Partner at Exfinity Ventures.

He is a graduate in Electrical Engineering from Indian Institute of Technology, Delhi.

## 9. ULRICH BAUMER

### Independent Director

Ulrich is an Independent Director of Expleo Solutions Limited.

He is a dual qualified (*Rechtsanwalt* - Germany; Attorney-at-law - New York) lawyer and a partner in the technology group of the international law firm, Osborne Clarke. He advises the clients of the firm mainly in the areas of information technology. He drafts and negotiates complex international IT project (especially outsourcing and licensing) contracts and assists the technology clients of the firm in M&A transactions. He also advises in all other aspects of technology and licensing law. He advises many German and International companies on all aspects of IT law. Ulrich is the *Justiziar* (inhouse lawyer) of VOICE e.V., the German CIO association. Ulrich is a lecturer at law (IT law) at the University of Cologne, the WHU- Otto Beisheim School of Management, Columbia University (NY/Paris) and the National Law School University of India (Bengaluru).

# Letter to the shareholders



**Mr Ralph Gillessen**  
Chairman

**Dear Shareholders,**

I hope this correspondence finds you in good health and high spirits. As the enterprise community continues to contend with various market challenges and economic uncertainties, the business transformation agenda remains a top priority in boardrooms and at the C-suite level. In today's fiercely competitive digital economy, the significance of a seamless customer experience has never been more pronounced, prompting many organisations to become more explorative with innovative tech deployments, as a means of boosting customer service delivery.

On the crest of this wave, Expleo India is experiencing a particularly strong arc of growth. We continue to take a holistic approach to accelerating enterprise change, with extensive systems expertise to help organisations navigate their digital transformation journey with confidence. With a proven systems thinking approach, we take immense pride in offering customized solutions tailored to the bespoke needs of our clients.

Today I'm delighted to share a comprehensive update on the past 12 months of milestones and key developments in our roadmap. I'm proud to report that we continue to underline our credentials as the trusted innovation

partner for an expanding array of clients – who place a high premium on our domain expertise and proprietary methods for testing and assuring technology rollouts.

Over the past 12 months, Expleo India's people, processes, and technological aptitude have helped our clients accelerate time to market with new product offerings, unlock a host of efficiency gains, and strengthen competitiveness. As illustrated in this year's global BTI report, there is growing awareness at board level that tailored digital transformation strategies represent a genuine pre-requisite to longevity in today's hyper-competitive macro environment.



### **Merger of Indian Entities**

In April 2022, we announced details around an important restructuring project – specifically the merger of our Indian businesses: Expleo India Infosystems Private Limited, Expleo Technologies India Private Limited, Expleo Engineering India Private Limited and Silver Software Development Centre Private Limited with Expleo Solutions Limited. The integration of four entities into Expleo Solutions Limited is geared towards streamlining the corporate framework in India and enhancing access to capital for future business expansion and value maximization for clients and shareholders. Importantly, the merger will unlock additional prospects for employees, helping us attract and retain top talent while supporting growth across various sectors such as Banking, Financial Services, Insurance, Automotive, Aerospace, and others in the coming years. Full details on the restructuring can be viewed [here](#).

### **Lucid Takeover**

In May of last year, we announced that Expleo Solutions Limited was assuming control of [Lucid Technologies & Solutions](#) (Lucid), a specialist in data governance, data privacy and protection, and augmented analytics. This takeover included the transfer of all tools, intellectual property (IP), business contracts, and staff, comprising a talented team of 50 data specialists located in India and the USA. Lucid boasts an impressive client portfolio consisting of Fortune 500 companies and unicorns across various industries, including BFSI, Healthcare, Retail, and Manufacturing. Data Governance, Quality, Security and consulting capabilities will help strengthen Expleo's capabilities and add the complimentary governance expertise which is adjacent to our overall Data Management practice.

Lucid's presence extends to Hoboken, New Jersey, with services being delivered from their offshore center in Chennai, India. The Company has established strong partnerships with leading platform providers in data governance, data quality, data protection, and analytics, such as Collibra, BigID, and Okera. These takeover underscores our position at the forefront of the sector, strengthening our expertise, enabling us to deliver even higher quality data and digital solutions to our customers, while claiming greater market share, particularly in the US. You can read more about the takeover [here](#).

### **Advancing our Capabilities**

We've also extended our remit of capabilities to accommodate heightened demand from clients for sophisticated cyber and automation-related solutions, while expanding our suite of DevSecOps services. DevSecOps have become a core pillar of business

resilience in recent years, enabling organisations to proactively integrate security into the software development lifecycle, mitigating risks and system vulnerabilities.



We are also seeing a surge in companies adopting the Super App model – in which platforms provide customers with convenient access to a wide array of tools and services within a single ecosystem. In particular, the API as a Service movement has revolutionized the process of integrating new services into platforms, making it incredibly convenient. Today, the concept of the Super App is no longer limited to financial institutions alone but is also being embraced by non-financial companies aiming to enhance customer experiences within their own ecosystems. We anticipate a surge in demand for API as a Service capabilities in the months ahead.

### **Cultivating a People-Centric Environment**

At Expleo India, we are committed to providing opportunities for our staff to expand their professional horizons through comprehensive upskilling initiatives. We have an ambitious staff base that is excited to engage in work beyond their primary expertise and driven to accelerate their professional development. We view internal training programs as a core element in our staff onboarding and retention strategy, particularly in the current competitive recruitment landscape. As such, we have been delivering tailored workshops and custom in-house courses via blended learning approaches, with excellent feedback from staff on these initiatives.

### **Great Place to Work**

This year Expleo India was officially recognised as a Great Place to Work, and we are immensely proud to receive the prestigious accolade – an achievement that underscores our ongoing commitment to fostering a progressive and wellbeing-oriented workplace culture. Not only does this demonstrate a staff-centric model to prospective hires, but we also feel this award strengthens brand equity with existing employees. In

fact, we've significantly reduced our staff attrition rate to 18% (from close to 28% in the previous 12 months) over the past six months. Moreover, this environment provides fertile ground for our highly motivated teams to deliver exemplary service to our expanding client base. For you, our shareholders, we hope this signifies our dedication to developing a resilient and enduring business model that generates consistent returns.



### Promoting Women in Technology & Engineering

In May of this year, we held an exclusive in-person hiring meet for women, geared towards attracting female engineers to join our Automotive team. Expleo India has spearheaded many of the wider Expleo Group's Diversity and Inclusion practices, and our female colleagues continue to smash the glass ceiling that has historically capped female participation rates in these fields. This year Expleo was also recognised as a top organisation for women by The Economic Times, giving expression to our firm commitment to championing the pioneering contributions of women across the Tech and Engineering verticals.

On the subject of breaking down barriers, this year Expleo India hired eight hearing and speech impaired workers with diverse backgrounds and technical expertise. We are passionate about creating a workforce that reflects the broader community, promoting equality and fostering inclusivity.

### Brand Building and Engagement Initiatives

In February, we exhibited at the Aero India 2023 event, which brought together a host of domestic and international aviation organizations – attracting over 200,000 attendees from all over the World. The event provided an amazing platform to explore collaboration synergies with top industry stakeholders and explore cutting-edge industry innovations.

After a two-year pandemic-induced break, Expleo India Annual day made its return, giving our staff the

chance to unwind and bond in a relaxed setting. On a personal note, it was so rewarding to see the genuine camaraderie that has developed between our diverse staff bases.

### Pledge to Create 5,000 more Jobs by 2025

In October of last year, we announced plans to create additional 5,000 jobs in India by 2025, spurred by remarkable operational growth, with a year-on-year increase of over 30%. This growth trajectory has been expedited by heightened adoption of digital technologies across our core focus domains such as Automotive, Banking, Financial Services, Aerospace, Healthcare, and Life Sciences. Additionally, we've established our sixth center of excellence in Coimbatore, India. We're excited to continue serving clients across diverse industries, with an expanded talent pool consisting of experts in development, automation, engineering, AI, cloud, and data science.

Looking ahead, we are energized at the prospect of helping organisations nurture a culture of Business Agility from within, with a holistic, whole-of-business approach to digital transformation. By methodically digitally re-wiring operational processes, our passionate team of experts have never been better placed to help clients better, understand their value streams, unlock new efficiencies and drive revenue growth.

To ensure sustained success, we are focused on several key strategies. Firstly, by anticipating and identifying emerging market trends, we will be in a strong position to proactively develop solutions that address the evolving needs of our client base. Secondly, we will continue to enhance our customer-centric approach, delivering personalized solutions that drive customer value. Thirdly, we will foster a culture of continuous learning and innovation within our organisation, empowering our employees to be at the forefront of technology advancements as bonafide domain experts.

On behalf of the Board, I would like to express our sincere gratitude to our esteemed customers for their unwavering trust and confidence in our organisation, and to our dedicated employees with whom none of our transformative work would be possible. I would also like to extend our heartfelt appreciation to our shareholders for their ongoing and invaluable support.

Yours Sincerely,

**Ralph Gillessen**

Chairman

# Performance highlights

## Decade at a Glance (Consolidated Basis)

Rs. in Millions

Particulars	2022-23	2021-22 @	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16 #	2014-15	2013-14
Gross Revenue	9,033	7,425	3,009	2,702	2,828	2,712	2,599	2,642	2,142	1,944
EBIDTA #	2,162	1,301	753	610	591	538	424	605	389	499
Profit Before Tax #	1,861	1,101	684	541	536	479	370	562	320	422
Profit After Tax #	1,339	677	504	399	362	319	232	369	216	300
Fixed Assets: Gross Block #	1,980	1,439	474	432	324	307	300	526	483	473
Fixed Assets: Net Block #	1,420	1,083	248	260	189	224	267	248	243	274
Share Capital	155	155	103	103	107	107	107	106	105	103
Reserves and surplus #	5,147	3,791	1,916	1,420	1,281	1,179	1,164	982	911	980
Networth #	5,302	3,946	2,019	1,522	1,388	1,286	1,271	1,089	1,016	1,082
Sundry Debtors #	2,394	1,737	608	759	457	681	424	544	567	558
Cash and Bank Balances #	1,557	1,796	1,311	872	987	850	891	857	683	502
Current Assets #	5,528	4,485	2,259	1,774	1,625	1,633	1,380	1,534	1,380	1,157
Current Liabilities #	1,677	1,746	549	534	522	626	435	728	560	290
Working Capital #	3,851	2,739	1,710	1,240	1,103	1,007	945	806	820	867
Employee Strength (No.s)	3,992	3,958	1,117	1,062	962	1,012	919	1,076	907	905
No of Equity Shares ('000)	15,520	15,520	10,252	10,252	10,713	10,710	10,680	10,639	10,545	10,268
Earnings Per Share (Diluted) (Rs.) #	86.3	43.6	49.2	38.5	33.8	29.9	22.3	34.6	20.6	28.7
Book Value per Share (Rs.)	341.6	254.2	196.9	148.5	129.6	120.1	119.0	102.3	96.4	105.4
Dividend - Rs. per share (Interim and Final)	5.0	-	-	-	-	24.0	24.0	24.0	24.0	9.0

The audited Consolidated numbers in respect of FY 2022-23 represents the combined numbers of transferor and transferee company to comply with Ind AS 103 Business Combination.

@ To comply with Ind AS 103- Business Combination, the audited Consolidated numbers in respect of preceding period have been restated for FY 2021-22.

For prior years from FY 2013-14 to FY 2020-21, the numbers are as per audited financials of Expleo Solutions Limited (before merger).

EBITDA : Earnings before Interest, Depreciation, Taxes & Amortization

# Figures are as per Ind AS format from the year 2015-16 onwards

One Million (Mn) is equal to Ten lakhs

# Boards' report

*Dear members*

The Company is pleased to present its business and operations report for the year ended March 31, 2023.

## 1. Financial highlights for the year ended March 31, 2023:

	(Rs. in Millions)		(Rs. in Millions)	
	Consolidated		Standalone	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total Income	9,194.04	7,485.70	9,119.84	7,472.66
Cost of material consumed and other direct costs	73.19	81.14	73.19	81.14
Employee benefits expense	4,798.88	3,840.36	4,483.75	3,616.84
Depreciation and amortization expenses	278.84	187.64	272.71	187.54
General, administrative, and other expenses	2,159.51	2,263.37	2,532.25	2,522.82
Finance cost	22.56	12.12	22.56	12.12
Total expenses	7,332.98	6,384.63	7,384.46	6,420.46
Profit/(loss) before exceptional items	1,861.06	1,101.07	1,735.38	1,052.23
Exceptional items				
Profit before tax	1,861.06	1,101.07	1,735.38	1,052.23
Tax expense	522.18	424.29	502.78	416.21
Profit after tax	1,338.88	676.78	1,232.60	636.02
Other comprehensive income	17.66	(3.13)	15.73	(5.60)
Total comprehensive income	1,356.54	673.65	1,248.33	630.42
Earnings per equity share (Per value of Rs. 10/- each)				
Basic (Rs.)	86.27	43.61	79.42	40.98
Diluted (Rs.)	86.27	43.61	79.42	40.98

## 2. Business and Operations Review:

Total operating revenue was Rs. 9,032.95 Mn for the Financial Year 2022-23, which increased by 21.65% over the previous year's Rs. 7,425.35 Mn. Total Comprehensive Income stood at Rs. 1,248.33 Mn (14% of Total Income) against the previous year's Rs. 630.42 Mn (8% of Total Income). This signifies an improvement in absolute and percentage terms.

The Company's revenue from operations was more geographically diversified this year, with the share from India, the Middle East and Asia being 42% from 46% in the previous year. The Europe business contributed to 46%

of the Company's revenue from operations (48% in the previous year), while the US contribution grew to 12% from 6% last year. The proportion of on-site to offshore revenue from operations stood at 20%-to-80% compared with 18%-to-82% in the previous year.

During the year under review, new client acquisition contributed 7% to the revenue from operations. The repeat business from existing clients is 93% of the revenue from operations compared to 93% in the previous year.

For the financial year 2022-23, the revenue from Group clients was 30%, as compared to 29% in the previous

financial year. On the practice front, the Company saw 31% growth in Insurance, followed by Banking that grew by 29% and Card and Payment by -3%.

As of March 31, 2023, the standalone entity's employee strength was 3,931 (consolidated entity 3,992) compared to 3,920 (consolidated entity 3,958) in the previous year. Women employee strength grew to 1,316 (32.97%) for the consolidated entity from 1,302 (32.90%) in the previous year and attrition stands at 18.20% from the previous year's 28.27%.

### **3. Amalgamation / Merger of Expleo Group Companies in India:**

The Members are informed that during last year, your Company had initiated the process of merger of Expleo India Infosystems Private Limited (EI IPL), Expleo Technologies India Private Limited (ETIPL), Expleo Engineering India Private Limited (EEIPL) and Silver Software Development Centre Private Limited (SSDCPL) with Expleo Solutions Limited (ESL) through a composite Scheme of Amalgamation pursuant to Sections 230 to 232 of the Companies Act, 2013. The Companies involved in merger had filed a petition before Hon'ble National Company Law Board Tribunal (NCLT) in Chennai, Bengaluru, and Mumbai.

The Hon'ble National Company Law Tribunal (NCLT), Chennai Bench vide its order pronounced on February 15, 2023, Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order pronounced on February 17, 2023 and Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench vide its order pronounced on February 28, 2023 has accorded approval of scheme of Amalgamation with effect from April 1, 2023, which shall be the Effective Date. The Appointed Date for the scheme shall be April 1, 2022.

Pursuant to the scheme and applicable provision of the Companies Act, 2013 and rules thereunder, your Company has filed the certified copies of the order of the respective NCLTs sanctioning the Scheme in Form INC-28 with the Registrar of Companies (ROC), Pune on March 17, 2023, Registrar of Companies (ROC), Bengaluru on March 31, 2023 and Registrar of Companies (ROC), Chennai on April 01, 2023, respectively.

Further, pursuant to the Scheme becoming effective, the authorised share capital of the Transferor Companies stands merged with the Transferee Company and accordingly, the authorised share capital of the Transferee Company in the capital clause of the Memorandum of Association of the Company stands increased from Rs. 12,00,00,000/- consisting of 1,20,00,000 equity shares of Rs. 10/- each to

Rs. 32,70,00,000/- consisting of 3,27,00,000 equity shares of Rs. 10/- each.

### **4. Capital Expenditure:**

During the financial year 2022-23, the Company added Rs. 591.96 Mn to its gross block with capital expenditure, which comprised Rs. 173.54 Mn on building and lease, Rs. 100.38 Mn on technology infrastructure, Rs. 24.04 Mn on physical infrastructure and the balance Rs. 294.00 Mn on intangible asset addition.

### **5. Liquidity:**

The Company continues to maintain comfortable cash balances to meet its strategic objectives. The liquid assets stood at Rs. 1,298.25 Mn at the end of the year against Rs. 1,402.67 Mn in the previous year. The Company's cash balance decreased to Rs. 1,327.89 Mn from previous year's Rs. 1,434.61 Mn.

### **6. Share Capital:**

At the end of the current financial year, the Company's paid-up Equity Share Capital stood at Rs. 102.52 Mn, consisting of 1,02,52,485 fully paid-up equity shares of Rs. 10/- each.

Pursuant to the approval of the Scheme of Amalgamation by the Hon'ble National Company Law Tribunal (NCLT), Chennai Bench, the Board of Directors of the Company on May 9, 2023 approved the allotment of 52,67,254 equity shares of Rs. 10/- each to the Promoter, and thereby the total paid-up share capital stands increased to Rs. 15,51,97,390/- (1,55,19,739 equity shares of Rs. 10/- each).

### **7. Net worth:**

As of March 31, 2023, the Company's net worth stood at Rs. 4,731.83 Mn against Rs. 3,483.49 Mn at the end of the previous financial year.

### **8. Dividend:**

Your Board recommends a Final Dividend of Rs. 5/- (i.e., 50%) per equity share of Rs. 10/- each fully paid-up of your Company for the financial year ended March 31, 2023. The dividend, if approved at the ensuing 25<sup>th</sup> Annual General Meeting ('AGM'), will be paid to those members whose names appear in the Register of Members as on close of Friday, July 14, 2023. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the Company's website at <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Dividend-Distribution-Policy.pdf>

## 9. Transfer to Reserve

Your Company does not propose to carry any amount to reserves, during the financial year ending March 31, 2023.

## 10. Subsidiaries and Branches:

The Company operates internationally through four wholly owned subsidiaries:

- a) Expleo Solutions Pte. Ltd., Singapore
- b) Expleo Solutions UK Ltd., UK
- c) Expleo Solutions Inc., USA
- d) Expleo Solutions FZE, UAE

The Company's Board of directors reviewed the affairs of the wholly owned subsidiaries for the financial year 2022-23. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared its Consolidated Financial Statements, which form a part of this Annual Report. A separate section on the salient features, performance and financial position of each of the subsidiaries can be found in **Annexure-I**. It includes their contribution to the overall performance of the Company.

During the period under report, as per Section 129(3) of the Companies Act, 2013, read with Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the Subsidiaries audited annual financial statements and related information, wherever applicable, will be made available to shareholders upon request and will also be available for inspection during regular business hours at the registered office of the Company. The audited annual financial statements shall also be available on the website of the Company. The Company has branch offices in Belgium, Israel, Malaysia and Philippines. The offices located in Pune and Bengaluru, India have become branches of Expleo Solutions Limited pursuant to the scheme of Amalgamation.

## 11. Annual Return:

The Annual Return in Form MGT-7 for the financial year ended March 31, 2023, as prescribed under Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, read with Rule 12 of Companies (Management and Administration) Rules, 2014, as amended, is disclosed on the website of the Company <https://investors.expleo.com/financial> in the AGM and Annual Report.

## 12. Number of Meetings of the Board:

The Board met seven times during the financial year ended March 31, 2023. The said meetings were held on May 18, 2022, June 17, 2022, July 14, 2022, August 11, 2022, November 10, 2022, January 11, 2023, and February 14, 2023.

The Corporate Governance Report has details of these meetings. The intervening gap between the meetings

was within the period prescribed under the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

## 13. Corporate Governance and Management Discussion and Analysis Report:

A separate section on Corporate Governance, which is a part of the Board's Report, and the certificate from the Company's Auditors confirming compliance with Corporate Governance norms as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, are included in the Annual Report. The Company has taken adequate steps for strict compliance with Corporate Governance guidelines as amended from time to time. A separate Management Discussion and Analysis Report is also attached and forms part of this report.

## 14. Business Responsibility and Sustainability Report:

A separate section on Business Responsibility and Sustainability Report also forms a part of this report.

## 15. Declaration given by Independent Directors:

All the Independent Directors of the Company have given their declaration under Section 149(7) of the Companies Act, 2013, confirming that comply with the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013, and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for being an Independent Director of the Company.

## 16. Policy on Directors' appointment and remuneration:

The Company has a policy in place on Directors' appointment and remuneration, including criteria for determining qualification, positive attributes, independence of a Director and other matters as required under Section 178(3) of the Companies Act, 2013, and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. There has been no change in this policy since the last financial year. The Corporate Governance Report covers the details disclosed on the Company website: <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Terms-of-Appointment-of-Independent-Directors.pdf>

## 17. Particulars of loans, guarantees, or investments:

The Company has not given any loan to any person, given any guarantee, or provided security to any other body, corporate, or person in connection with a loan. It has not acquired through subscription, purchase, or otherwise the securities of any other body or corporate.

The Company has the following investments in its wholly owned subsidiaries as specified under Section 186 of the Companies Act, 2013:

Particulars	Rs. in Millions	
	March 31, 2023	March 31, 2022
Unquoted equity instruments (in subsidiaries)		
100,000 equity shares (Previous year - 100,000 equity shares) of SGD 1/- each in Expleo Solutions Pte. Ltd., Singapore	2.66	2.66
3,000 equity shares (Previous year - 3,000 equity shares) of USD 0.01/- each in Expleo Solutions Inc., USA	4.62	4.62
350,000 equity shares (Previous year - 350,000 equity shares) of GBP 1/- each in Expleo Solutions UK Ltd., UK	24.17	24.17
600 equity shares (Previous year - 600 equity shares) of AED 1,000/- each in Expleo Solutions FZE., UAE	8.70	8.70

#### 18. Particulars of contracts or arrangements with related parties:

During 2022-23, all the contracts and arrangements entered by the Company with related parties were on an arms-length basis and in the ordinary course of business. The total value of all the transactions with M/s. Expleo Group and its subsidiaries are above the threshold limit of 10% of the last audited consolidated turnover of the Company. These transactions have been classified as "Material Related Party Transactions" as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. However, the aforesaid transactions fall within limits approved by the shareholders in the Annual General Meeting held on August 11, 2022. There are no materially-significant related party transactions made by the Company with Directors, key management personnel, senior management personnel, or other designated persons, which may have a potential conflict with the Company's interests at large. All related party transactions are placed before the Audit Committee and the Board of Directors for their prior approval.

For foreseen and repetitive transactions with the wholly owned subsidiaries, a prior omnibus approval of the Audit Committee is obtained annually. The transactions

entered pursuant to the omnibus approval so granted are tracked and verified. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval every quarter. The policy on Materiality of Related Party Transactions, as approved by the Board of Directors, is available on the Company's website : <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-on-Materiality-of-Related-Party-Transactions-1.pdf>

None of the Directors have any pecuniary relationship(s) or transaction(s) vis-à-vis the Company. The details of contracts or arrangements with related parties entered during the year are given in **Annexure-II** of the report.

#### 19. Material changes and commitments, if any, affecting the financial position of the Company:

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which the Company's financial statements relate and the date of the report.

#### 20. Transfer to Investor Education and Protection Fund ("IEPF"):

In accordance with the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India after the completion of seven years. Further, according to the Rules, the shares on which a dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the Demat account of the IEPF Authority. During the financial year 2022-23, an amount of Rs. 389,340/-, which was lying in the Final Dividend account pertaining to the year 2014-15, and an amount of Rs. 114,948/- lying in the Interim Dividend account pertaining to the year 2015-16 of the Company was transferred to the IEPF on completion of seven years. Pursuant to provisions of Rule (6) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, wherein the seven-year period provided under subsection (5) of Section 124 is completed for unpaid/unclaimed dividends during 2022-23, the Company had transferred 429 shares pertaining to Unpaid Final Dividend – 2014-15 and 683 shares pertaining to Unpaid Interim Dividend – 2015-16 to the credit of IEPF Authority, in respect of shareholders who have not claimed their dividend for a consecutive period of seven years. Members who have so far not encashed their dividend warrant(s) or those

yet to claim their dividend amounts may write to the Company Secretary & Compliance Officer / Company's Registrar and Share Transfer Agent (Cameo Corporate Services Limited). The details of shareholders whose shares were transferred to the IEPF Authority are available on <https://investors.expleo.com/corporate-governance/> - Transferred to IEPF.

## 21. Conservation of energy, research and development, technology absorption, foreign exchange earnings, and outgo:

### (A) Conservation of energy:

- i. Steps that impact energy conservation: The Company has always actively promoted eco-friendly and green initiatives. It continues to reduce its carbon footprint, conserving energy, and using energy generated from alternative sources wherever possible. It continues to deploy adequate measures to conserve energy by using less power-consuming USFF-based computers and deploying LEDs for perimeter lighting in the MEPZ premise. The Company is also in the process of optimizing lighting equipment for an overall reduction of light bulbs used and conversion to LED bulbs. The adoption of VRF-based air conditioning and sensor-based lighting in all cabins and meeting rooms has significantly reduced electricity consumption and the Company's carbon footprint.
- ii. Steps taken to utilize alternative energy sources: The Company's registered office is in a tech park where close to 80% of energy is sourced from the grid powered by wind turbines, promoting green energy.
- iii. Capital investment on energy conservation equipment: Nil.

### (B) Research & development and technology absorption:

- i. **Safe use of ChatGPT** – Expleo has developed a paper on ChatGPT to ensure the wider adoption of ChatGPT does not compromise the information security of Expleo and its valuable customers. The paper discusses about the inherent merits and demerits of such aggressive regenerative pre-trained models-based systems and ensures that the end users do not disclose confidential and personally identifiable information accidentally to ChatGPT as it now forms the major source of knowledge which was so far known as the World wide web.
- ii. **Smart Video Conferencing solution** – Expleo has integrated a smart video conferencing system and demonstrated its capabilities as a PoC to a large Indian

edutech provider. The solution was well received as it has the capabilities to recognize gestures using AI/ML image processing algorithms.

- iii. **AR/VR** – Expleo is collaborating with customers and partners in India in developing its AR/VR expertise with solutions like Unity3D, Unreal Engine. Expleo is now experimenting with the use of AR/VR technology in its smart video conferencing solution for an immersive end user experience.
- iv. **VRU Warning System for Android Auto** – Expleo India continued its steadfast focus on its automotive business and has created a good PoC solution for android automotive infotainment system which warns the driver on the vulnerable road users (VRU) by capturing and analyzing image feeds from cloud sent by road infrastructure monitoring cameras. The system also has the capability to interact with ECU (Electronic Control Unit) through CANBUS.
- v. The procurement system continuously ensures cost-effective hardware purchases, more through local vendors, thereby reducing import dependency. Where required, the Company also imports servers, switches and other hardware products using foreign currency from its Exchange Earners' Foreign Currency (EEFC) accounts.
- vi. There has been no import of technology during the last three financial years.

### (C) Foreign exchange earnings and outgo:

Foreign exchange earned during the year in terms of actual inflows was Rs. 6,280.31 Mn (Previous year - Rs. 5,365.25 Mn) whereas foreign exchange outgo during the year in terms of actual outflows was Rs. 1,501.57 Mn (Previous year – Rs. 2,372.10 Mn).

The current year's inflows and outflows are regarding the movement of funds into and outside India in foreign currency.

## 22. Risk management:

The Company is committed to effectively managing its operational, financial and other risks to achieve a balance between acceptable levels of risk and reward. The Company has formulated an Enterprise Risk Management Policy (ERM) in compliance with Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and provisions of the Companies Act, 2013("the Act"), which requires the Company to lay down procedures about risk assessment and risk minimization.



The scope of ERM Policy covers risks across all levels of the organization considering the internal and external context. The Enterprise Risk Management of the Company includes:

- Risk Management framework which comprises of:
  - a) Identifying and assessing a broad array of internal and external risks that could adversely impact the achievement of organizational goals and objectives in a structured manner.
  - b) Ensuring appropriate ownership and accountability of risks.
  - c) Developing and implementing appropriate risk mitigation and monitoring plans by risk owners including systems and processes for internal control of identified risks and business continuity plans.
- Establishing a program structure that engages functional leaders across to identify and prioritize risks consistent with the Risk tolerances.
- Providing senior leadership / Board with key timely information to make risk-informed decisions.
- Providing reasonable assurance with respect to the organization's ability to achieve its strategic and business objectives.

The key categories of risks identified are:

- **Strategic:** Any risk that impacts the company's strategy and makes it less/ineffective; could be technology changes, new competitor, changes in customer demand etc.
- **Financial:** Risks relating specifically to the money flowing in and out of business, and the possibility of a sudden financial loss.
- **Operational:** Risks that could facilitate or hinder the efficiency and effectiveness of core operations within the organization.
- **Compliance:** Risks relating to non-adherence of any applicable legal requirements, statutory adherence, certification requirements, customer requirements etc.
- **ISMS** – Risk relating to IT Security, Cyber Risks, Information security incidents, Data Protection & BCP.

Risk Management in the Company includes identification, assessing, monitoring, and mitigating various risks through a process that comprehensively evolved over the years.

The ERM of the Company comprises of a series of processes, structures and guidelines that assist in identifying, assessing, monitoring, and managing its business risk, including any material changes to its risk profile. To achieve this, the Company has clearly defined the responsibility and authority of Board of Directors, to oversee and manage the risk management program, while conferring responsibility and authority on senior management to develop and maintain the risk management program considering the day-to-day needs of the Company.

Regular communication and the review of risk management practice provides the Company with important checks and balances to ensure the efficacy of its risk management program. Risk Management Committees are established consisting of senior members of the Company for periodical monitoring and review of the various categories of risks.

The Risk Assessment Process is monitored and controlled in several ways. This includes:

- Quarterly internal audits by an independent firm.
- Regular process compliance audits for ISO 9001 and ISO 27001 standards, including SOC audits.
- Periodic audits of compliance to other regulatory frameworks.
- Monitoring and tracking of compliance of applicable laws for the Company using Compliance tool, which is updated on real time basis with latest amendments.
- Annual capital and revenue budget planning followed by monthly reviews.
- Annual sales planning with monthly/periodic monitoring.
- Annual perspective and strategic planning exercise with a yearly update.
- A conservative approach in planning funding requirements.

Over the last few years, the Company has developed comprehensive internal financial control processes and procedures that could effectively mitigate the overall organisational risks.

**23. Adequacy of internal financial controls:**

The Company has a proper and adequate internal control system. This ensures that all transactions are authorized, recorded, and reported correctly, and assets are safeguarded and protected against loss from

unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of Internal Financial Controls.

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 is linked to financial operations and reporting.

The Company also has an Audit Committee, comprising three Directors, who interact with statutory auditors, internal auditors, and management to deal with matters within its terms of reference. This Committee primarily deals with issues of accounting, financial reporting, and internal control. The framework for the Internal Financial Controls was made by:

- Defining controls, governance, and standards, including policies and procedures, organizational structures, and performance objectives.
- Establishing control designs including roles and responsibilities, risk identification and capacity to deliver business objectives.
- Evolving controls including control systems and improvements.
- Compliance and control monitoring through internal resources or audit or a combination of both.

The internal audit team, along with the process team, monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures, and policies. Based on the internal audit report, corrective actions, if any, are undertaken and controls strengthened in the respective areas. Significant audit observations and responses/corrective actions, if any, are presented to the Audit Committee of the Board. During the year, an Internal Financial Control (IFC) audit concerning financial statements was done by the Statutory Auditors. Their report is annexed as part of the Independent Auditor's Report.

#### 24. Corporate social responsibility:

Expleo's Corporate Social Responsibility (CSR) vision is to be a company committed to addressing major social issues of the time. The Company's approach reflects its

principles and values and has ambitious targets that are meaningful and create value for all stakeholders.

Through its CSR initiatives, the Company focuses on promoting education for the differently abled, under privileged, protecting the environment and women empowerment.

The Company's CSR activity during the year was all about following its core purpose and philosophy. Expleo continued to support children with special needs. The programme made learning possible and managed to keep children and parents positively motivated and engaged throughout the year.

The Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year ended March 31, 2023 pursuant to Section 135(4)(a) read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed and forms a part of this Report in **Annexure-III**.

#### Key highlights of the CSR activities undertaken by Expleo:

##### EDUCATION

##### a) Vidya Sagar - Education for differently-abled children

- The Company contributed to supporting special education for high school which works with children of school going age 15 and above with disability. They conduct online classes as per the guidelines in their Standard Operating Procedure and ensured to adhere to the government guidelines for schools in general. Physical classes were also conducted based on the scenario.
- The Company had contributed to the salary of therapist and special education trainer to the high school students of Vidya Sagar.
- The therapist was responsible for physiotherapy, speech, alternative and augmentative communication training, occupation therapy, procurement, and optimal utilization of furniture, mobility, and orthotic aids. Additionally, the students were also imparted with functional and life skills enabling them to explore vocations.
- This project shall help youth gain employment and fill the support gap faced by the differently abled students.
- The Company has contributed to constructing a new accessible bathroom and Safety nettings/ accessories for Terrace Garden.

- The Company has also contributed to the painting of the entire building – classroom and exteriors. The newly painted building has a positive impact on the children's experience, helping to create a more engaging, inclusive, and stimulating environment for learning and growth.



**b) Agastya - Education for the underprivileged**

**Science centers at Jaigopal Karodia Government Girl School at Choolaimedu and Virugambakkam (Lab on Bike):**

- Expleo continued to sponsor the science centers in both the schools
- It increased the access to practical, hands-on science education for under privileged children. The project included significant improvement in the classroom learning environment, provided better and more productive interaction and hands-on learning opportunities with improved overall learning and understanding of concepts.
- The school science teachers got exposure to Agastya's science training which enabled them to make science-based learning models using

low-cost materials with limited resources. More than 50% of school teachers are using science models developed by Agastya for their classroom teaching in a science subject.

- The teachers report that students are also capable of doing science models and have improved grades during the last 3 years.

**Integrated Mobile Science Lab was commissioned both in Chennai and Bengaluru:**

- The Company sponsored the “Integrated Mobile Science Lab” project, which will provide students exposure to making and design thinking, resulting in students building innovative projects for themselves, their schools, and their communities as well as Science concepts from their syllabus.
- It increased access to practical, hands-on science education for under privileged children. The project included significant improvement in the classroom learning environment, provided better and more productive interaction and hands-on learning opportunities with improved overall learning and understanding of concepts.



**c) Chinna Thadagam Government Girls Higher Secondary School (CGHSS)**

- Expleo had provided contribution to Aram Foundation to implement infrastructure facilities at the CGHSS. As part of Phase 1 of the project, Sports infrastructure facilities were completed (Covering Volleyball court, Basketball court, Kabaddi court and Stage for events).
- The respective sports associations also certified the quality after inspection. With students from 15 surrounding neighboring villages getting benefitted.
- This project also covered a coach to train the students too for respective sports. As part of Phase 2 project, we have also completed the infrastructure facilities covering, steel roof for the stage, Water connection for the noon meal kitchen, Stairs railing in school and compound wall construction.



**d) Diya Ghar: Education for the children of migrant laborers**

- Diya Ghar is an NGO with a heart for the migrant community. It started with a vision for all children irrespective of their economic status, to have access to stimulating and nurturing pre-school education. The NGO started community centers with a focus to provide early childhood education, nutrition, health, and childcare for the children.
- A project called “community-based model” has been proposed wherein new portable and prefabricated community centers are established towards education for the children of migrant laborers and to provide education for

the said children. Expleo contributed towards this project as a part of their CSR initiative.

- The project includes identification and training community teachers, conducting classes using Montessori Method, prepares students and their families to enroll their children in Primary Schools.

**e) Rotary club – School Infrastructure**

**Government School, Uthiramerur**

- The Company has built shadow shed near the main building and constructed toilets for both boys and girls.



**f) C.P.R. Environmental Education Centre (CPREEC) – School Infrastructure**

**Government Boys Higher Secondary School (GBHSS), Chrompet**

- The Company has supported in providing uninterrupted drinking water supply to school children through a new deep borewell of 400 ft. with water filtration and distribution system.



**DRBCC Chetty Higher Secondary School, Perambur**

- The Company has established a security system for the school (Closed Circuit Video), The CCTV systems installed covers each classroom, corridors, entrances & exits of each building and other common areas of the school. We have provided 44 CCTV cameras, Digital Video Recorders along with required cabling and networking. The installation was completed during the last week of October, 2022. The school has 1,040 students and 52 teaching & non-teaching staffs, who will be the beneficiaries of this project.

- The Company contributed to enhance and enrich library functions which added value to overall student experience of learning.
- The project would be helpful for computer graduate students to gain the confidence about using the latest technologies during their studies, further adding value to enhance their employability skills. It would also add value to women empowerment through education.
- This project would work in true sense as digital learning for the students of the digital age.



**g) Digital Learning Classroom for Maharshi Karve Stree Shikshan Samstha K.B. Joshi Institute of Information Technology:**

- The Company sponsored to establish Smart Library for graduate and post graduate students of computer science.
- The Company contributed to enhance ICT enabled education to the girl students. Smart Library being an important element of teaching and learning was catered through this project. This AI based project enriched the learning resources facilities for the students.
- The Company contributed to establish a Smart Library in the institute with all required hardware and related accessories set-up. This facilitated students to practice AI applications in day-to-day operations.





**h) Advance Nursing Lab for Experiential Learning for Maharshi Karve Stree Shikshan Samstha Smt. Bakul Tambat Institute of Nursing Education:**

- The Company sponsored the project to establish a simulation lab for students pursuing nursing education from diploma to Ph.D. fraternity.
- The Company contributed to facilitate Advance Lab for the students to learn with hands-on exercises in the lab. Advanced equipment and

dummies were installed to supplement and complement students' designed curriculum.

- The Company added value to teaching and learning practices of the institute by providing experiential learning platforms through this Advance Lab.
- The Company facilitated the realistic learning experience from the models, trainer, and dummy. It added value to knowledge and skill competency of the students before going to clinical practice. It was helpful in boosting the confidence level of students as well as escalating the enthusiasm in them.
- This project would be remarkable for contributing to the education of the healthcare industry which caters the needs of health, harmony, and well-being of a society. The project would also contribute to women empowerment through education.

**Expleo Inaugurates Advanced simulation lab  
Bakul tambat institute of nursing, Pune  
An initiative to empower women in India**





**ENVIRONMENT**

**j) Contribution to Siruthuli, NGO**

- Expleo had provided contribution to the Afforestation Project “Kalam Vanam – journey into the World of green” of Siruthuli in the Coimbatore city with their vision of planting 1 sapling per citizen, thus restoring the green cover to the region and increasing the lung spaces. Expleo had planted 5,000 trees in Reserve Site of Postal & Telecommunication Staff Colony and Madampatti Panchayat at Coimbatore and the NGO has taken the responsibility of maintenance of the trees and has agreed to replace the sapling that do not survive.

**i) School kit project for Seva Sahayog:**

- The ‘School Kit’ project aims to encourage students to continue their education and reduce the dropout rate.
- These school kits are distributed to children from Seva Vastis (slum areas), public schools from all over Maharashtra, and education-support centers run by NGOs in and around Pune.
- Last year, with our support Seva Sahayog were able to bring smiles to around 2,000 children in Pune.
- 2,000 school kits assembly completed and distributed to 2,000 beneficiaries from 1<sup>st</sup> to 7<sup>th</sup> Std.
- Following schools benefited from this project:

Dnyanda Pratishthan	Navin Marathi Shala	Maharashtra Asanghatit Kamagar Sanghtana
Saraswati Prathmik Vidya Mandir	Saraswati Madhyamik Vidya Mandir	Lokvikas Mandal
Idea Foundation	Sumati Balvan	New English Medium School
Bhave Prathmik Vidya Mandir	Shri. Shivaji Veer Baji Pasalkar Highschool	Astitva Pratishthan



**CSR IMPACT ASSESSMENT**

- Expleo appointed BlueSky Sustainable Business LLP to undertake the CSR Impact Assessment

for Expleo Solutions. BlueSky Sustainable Business LLP is accredited by NABCB – National Accreditation Board for Certification Bodies in accordance with International Standard of ISO/IEC 17020:2010 as Type A inspection body to provide inspection services for scope including social services.

- Post the assessment, Expleo have been provided PLATINUM rating based on our Sustainability Commitment, Leadership Visionary on Social Responsibility, Stakeholder Partnership and Multi – organizational Alliances.



## 25. Composition and recommendation of the Audit Committee:

The Audit Committee of the Company has been constituted in line with Section 177 of the Companies Act, 2013, read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the Audit Committee are:

- 1) Prof. K. Kumar, Chairman
- 2) Prof. S. Rajagopalan, Member
- 3) Mr. Rajiv Kuchhal, Member

During the year, the Board accepted all recommendations of the Audit Committee.

## 26. Vigil Mechanism:

The Company has formulated and adopted a vigil mechanism for employees to report genuinely unethical and improper practices or any other wrongful conduct to the Audit Committee Chairman. The policy provides opportunities for employees to access the Audit Committee in good faith if they observe unethical and improper practices. The Whistle Blower Policy of the Company is available on <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Whistle-Blower-Policy.pdf>

## 27. Directors' responsibility statement as required under Section 134(5) of the Companies Act, 2013:

Under Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- a) For the preparation of the annual Financial Statements, the applicable accounting standards were followed, accompanied by a proper explanation relating to material departures.
- b) Accounting policies were selected and applied consistently; fair judgment was used, and prudent estimates made to give an accurate view of the Company's state of affairs at the end of the financial year, and it's profit and loss for that period.
- c) Proper and sufficient care was taken for maintaining adequate accounting records as per provisions of this Act to safeguard the Company's assets to prevent and detect fraud and other irregularities.
- d) Annual Financial Statements were prepared on a going concern basis.
- e) The Company laid down Internal Financial Controls and that such internal financial controls are adequate and these were operating effectively; and
- f) Proper systems were devised to ensure compliance with all applicable laws, and such systems were adequate and operating effectively.

## 28. Board evaluation:

Under the provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board of Directors of the Company, in their meeting held on May 25, 2023, evaluated its performance, that of its committees and Individual Directors, including Independent Directors. No Director participated in his/her evaluation. The Independent Directors reviewed the Non-Independent Directors, Chairman, and the Board at a separate meeting of Independent Directors held on February 13, 2023. The Board of Directors was evaluated on various criteria, including attendance, participation in Board meetings, involvement by providing advice, guidance, suggestions on the business front, and the willingness and commitment to devote the time necessary to fulfil his/her duties.

The Independent Directors were also evaluated based on the performance, professional conduct, roles, and duties as specified in Schedule IV of the Companies Act, 2013, and based on the fulfilment of the Independent Director criteria as specified in Regulation 17 of SEBI



(Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board evaluation was based on composition and statutory compliance, understanding business risks, adherence to process and procedures, overseeing management procedures for enforcing code of conduct, ensuring various policies, including the Whistle Blower Policy, were in force. The Board of Directors is of the opinion that Independent Directors possess integrity, expertise, and experience, including proficiency.

### **29. Criteria for making payment to Non-Executive Directors:**

The Nomination and Remuneration Committee and the Board of Directors considered the following criteria while deciding on the payments to be made to Non-Executive Directors:

- Company performance.
- Maintaining independence and adhering to Corporate Governance laws.
- Contributions during meetings and guidance to the Board on important Company policy matters.
- Active participation in strategic decision-making and informal interaction with the management.

### **30. Familiarization programme:**

The Company has a familiarization programme for Independent Directors under Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. It aims to provide Independent Directors Company insight to enable understanding of the business in depth and contribute significantly to the Company. Overview and details of the programme for Independent Directors have been updated on <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Details-of-Familiarisation-Programme-for-Independent-Directors.pdf>

### **31. Policy for determining material subsidiaries:**

Pursuant to Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a policy for determining material subsidiaries was formulated. The same is updated on the Company's website at <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-for-Determining-Material-Subsidiaries.pdf>

### **32. Particulars of employees:**

In accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement containing the names of top 10 employees in terms of remuneration drawn during the financial year and that of every employee employed throughout the financial year and in receipt of a remuneration of Rs. 1.02 Crores or more per annum or employed for part of the financial year and receipt of Rs. 8.50 Lakhs per month is annexed and forms a part of this Report in **Annexure-IV(A)** and the ratio of remuneration of each Director to that of median employees' remuneration, as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is part of this Report in **Annexure-IV(B)**.

### **33. Directors and Key Management Personnel:**

There was no change in the Directors during the financial year.

Pursuant to the provisions of Section 152(6) Act of Companies Act, 2013 and the Company's Articles of Association, Mr. Rajesh Krishnamurthy (DIN: 08288884), retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholder approval for his reappointment forms part of the Notice of Annual General Meeting.

Mr. Prashant Eknath Brahmkar (DIN: 07439819) who was appointed as an Additional Director (Non-Executive) of the Company with effect from September 1, 2021, has been appointed as Non-Executive Director of the Company by the Shareholders at the Annual General Meeting held on August, 11, 2022.

Mr. Prashant Eknath Brahmkar (DIN: 07439819) has been appointed as Whole-time Director and Chief Operating Officer of the Company, by the Board of Directors at its meeting held on April 11, 2023, for a period of three years with effect from April 01, 2023. He is liable to retire by rotation.

A Postal Ballot for seeking approval from shareholders of the Company, through remote e-voting with respect to aforesaid appointment of Mr. Prashant Eknath Brahmkar (DIN: 07439819), as Whole-time Director and Chief Operating Officer of the Company has been commenced from Monday, May 22, 2023 at 9:00 A.M. (IST) and will end on Tuesday, June 20, 2023 at 5:00 P.M. (IST). The result of the Postal Ballot held through remote e-voting would be announced on or before Thursday, June 22, 2023, at 5.00 P.M. (IST)

### **34. Public deposits:**

The Company has not accepted or renewed any public deposits and, as such, no amount of principal or interest was outstanding on the Balance Sheet as of date.

### 35. Statutory Auditors:

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, are the Statutory Auditors of the Company. They were appointed in the 24<sup>th</sup> Annual General Meeting and will hold office till the conclusion of 29<sup>th</sup> Annual General Meeting of the Company.

The report issued by the Auditors to the members for the financial year ended March 31, 2023, does not contain any qualification, reservation or adverse remark, or disclaimer. Auditors reported no frauds under sub-section (12) of Section 143.

### 36. Maintenance of cost records:

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.

### 37. Secretarial audit report:

Pursuant to Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. M. Alagar & Associates (practicing company secretaries, COP No. 8196) as the Secretarial Auditor of the Company in the Board Meeting held on May 18, 2022, for the financial year 2022-23. The Secretarial Audit Report issued by M/s. M. Alagar & Associates is annexed and forms a part of this Report in **Annexure-V**. The Secretarial Audit Report does not contain any reservation or adverse remark for the year under review. Further, the Company complies with the mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs (MCA).

### 38. Significant and material orders passed by the regulators, courts, or tribunals:

The Hon'ble National Company Law Tribunal (NCLT), Chennai Bench vide its order pronounced on February 15, 2023, Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order pronounced on February 17, 2023 and Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench vide its order pronounced on February 28, 2023 has accorded approval of scheme of Amalgamation effective from April 01, 2023.

There are no significant and material orders passed by the regulators or courts or tribunals that may impact the Company as a going concern and/or Company's operations.

### 39. Human potential:

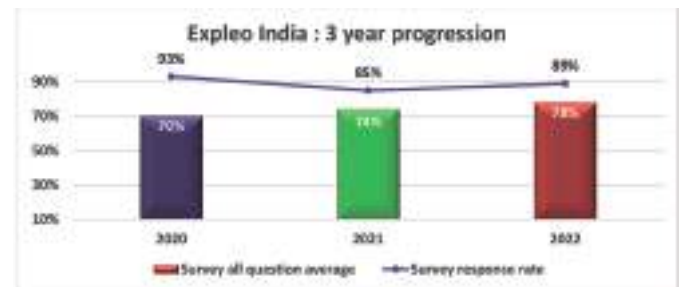
The Company emphasizes the importance of helping its people achieve their maximum potential in all

aspects of their functioning. The Company maintains a strong learning culture and provides a wide range of opportunities for employees to learn, develop, and progress in their careers.

### Great Place to Work (GPTW):

The Great Place to Work survey (called the 'Trust Index') is one of the most widely used employee surveys in the World which acts as a trusted third party, providing proven methodology and best practice to help companies create realistic plans to improve their workplaces.

Overall, the survey results enabled us to have a more accurate picture of how our employees feel about working in your Company by providing us with detailed information as to their opinion about our performance, culture, relationships, how we go about our work and where we are headed for, thus helping us to explore areas of opportunity to set Expleo on the path towards creating an organizational culture where we drive excellence with empathy.



### Key highlights of 2022 survey results:

- GPTW score for 2022 is 78% (+4 from 2021)
- 76% of employees believe that Expleo will act on the survey results (+4% from 2021)
- 81% of employees believe that Expleo is a great place to work (+4% from 2021)
- 85% of employees are proud to tell others that they work with Expleo (+6% from 2021)

The programs conducted under various learning categories are mentioned below:

**Technology:** The Company majorly focuses on technical skills such as Java, Performance Engineering, Appium, Security, Structured Query Language and Python.

**Domain and Domain products:** The Company conducted Guidewire, FinAstra, Banking payments, Cards, Treasury and Capital Markets, Insurance, and other domain related trainings.

**Testing:** The Company conducted programs such as Extract Transform Load (ETL) Testing, Test Automation, Test Methodology and Security Testing.

**Tools:** Programs on Selenium, Robotic Process Automation, Topology and Orchestration Specification for Cloud Applications (TOSCA) and Jira bug tracking tool were conducted to sharpen employee knowledge on latest tools.

**Process Methodologies:** The Company conducted programs such as Agile / Scrum, Accelerated Agile, Kanban and Agile Design Thinking.

**Leadership skills:** To enhance leadership skills we offered Management Development Program, Customer Relationship Management and Strategic Management programs.

**Soft Skills:** To improve customer experience we conducted training on soft skills such as email etiquette, presentation skills, listening skills and other such competencies.

**Strategic L&D:** Our primary responsibilities are to develop workforce capabilities, skills, and competencies the organization needs to align with key business priorities.

#### L&D's strategic role spans in five areas listed below:

- a) Talent attraction & retention.
- b) Developing people capabilities.
- c) Motivating & engaging employees.
- d) Driving culture of continuous learning.
- e) Employer brand creation.

#### Talent attraction and retention

We are committed to our employee's professional development and provide appropriate opportunities and career paths. Employees can quickly learn new skills to keep up with rapidly changing roles and project requirements.

Here are our key initiatives to attract and retain talent:

- a) Graduate Training Program (HTD)
- b) Certification Reimbursement Policy
- c) Individual Development Plan (IDP)
- d) Self-Learning Enablement
- e) Expert Connect Sessions

#### Developing people capabilities

We are committed to developing next-generation leaders. To achieve this, we have created focused leadership development programmes at various levels.

Here are our key programmes for leadership development:

- a) Leadership Enhancement Action Programme (LEAP).
- b) Leadership Excellence Program (LEP) – Unleash the Talent in Others by Dale Carnegie

- c) First Time Manager Programme
- d) Step-Up – Soft Skills Programme
- e) German language Training – Speexx Platform
- f) PMCoE (Project Management Center of Excellence)
- g) ToastMaster Club

#### Motivating and engaging employees

Expleo is committed to providing opportunities so employees can learn and develop new competencies. We conduct various initiatives to motivate and engage our employees. Our L&D recognizes and reward individual learning accomplishments.

Here are our key programmes for motivating and engaging employees:

- a) NJOP (New Joiner Orientation Programme).
- b) Technical & Domain Upskilling.
- c) TGIF (Thank God It's Friday).
- d) Reader's Loft.
- e) R&R for Trainers.
- f) Digital Badges - Rewards for Learning & Certification Accomplishments.
- g) Awareness Session

#### Driving culture of continuous learning

Expleo L&D provides a culture of continuous learning for employees at all stages of their careers to upskill and reskill continuously and on-demand. To support upskilling of our employees, we have set up the Technology Lab, which our associates can access remotely to get hands-on experience.

Here are our key programmes through which we drive a culture of continuous learning:

- a) Self-Learning Enablement:
  - a. Coursera
  - b. Udemy
- b) Technology Lab for Hands-On practice
- c) Speexx Language Platform
- d) Learning Assessment & Measurement Platforms – IKM, SurveyMonkey

#### Employer Brand Creation

Expleo's commitment and investment towards learning have enhanced its brand position as an employer of choice. The Company provides promised opportunities for professional development and career growth. L&D builds required workplace behaviours, including knowledge and skills necessary to deliver customer

satisfaction and the management and leadership expertise essential to create and sustain the working conditions promised as employee experience. L&D also plays a crucial role in reinforcing the identity & values of the Expleo culture.

Here are our key programmes that build employer brand:

- a) Diversity and Inclusion (D&I)
  - a. Talent Development Programme – Differently Abled Employees (DaP)
- b) Digital Badges for Publishing in Social Channels - Rewards for Learning Accomplishments.
- c) Leadership Development Programme

**Diversity and Inclusion (D&I):**

**Talent Development Programme – Differently Abled Employees (DaP)**



**Background:**

A diverse and inclusive workplace is one that makes everyone, regardless of who they are or what they do for the business, feel equally involved in and supported in all the areas of the workplace. Expleo believes in accelerating equality for all by creating an inclusive, accessible, barrier-free culture that promotes disability inclusion in the workplace.

**Purpose:**

- The programme for inclusion of Differently abled Persons (DaP) in the workplace is Expleo's way to create an environment where everyone feels like they belong.
- Enable DaP (Differently abled Persons) who bring unique skills, talents, and strengths to Expleo. Enhance the Technical skills of DaP by providing a focused Talent Development Programme that would meet the Expleo business requirement.
- Branding Expleo as an Employer that cares for Dap

**Actions Taken:**

- Expleo collaborated with an NGO called OORJAA who are experts in sourcing Differently abled Persons (DaP) for corporate.
- Disability sensitization workshop was conducted for Expleo SMEs and Managers which predominantly covers inclusion activities, terminology, assistance methodology, etc.
- The Talent Development Programme has 4 phases such as Talent Identification, Mentors & Trainers Identification, Training, and onboarding.
- Resources are sourced by OORJAA based on the JDs and skill benchmarks shared by Expleo
- Mentors and Trainers from OORJAA and Expleo are identified to train the DaP resources.
- Training conducted for a duration of 6 Months, both OORJAA & Expleo Trainers were involved in Training, Mentoring and Evaluation.
- Successful candidates are onboarded and deployed to projects.
- Dedicated HR team was available to them all the time for any assistance

**Results:**

- Out of 10 trainees, 8 got selected which is 80% success rate, which means that a highly commendable performance was achieved through this Talent Development Programme.
- The whole programme was executed in India region which brought great recognition and visibility across other regions of Expleo.
- This is a pilot batch; its success has opened the path for bigger target to hire DaP resources across Expleo.
- Modified organization policies and procedure to promote inclusion. Providing Physical/IT infrastructure to support DaP employees.



**Digital Badges for Publishing in Social Channels – Rewards for Learning Accomplishments.**

Expleo Digital Badges are distributed to Employees who have successfully completed LEAP, LEP and achieved their learning target.



**Leadership Excellence Program (LEP):**

**Program Objective:**

Expleo in partnership with Dale Carnegie has designed LEP program to enhance performance and professional excellence with a focus on behavioral, managerial and leadership development.

The areas with potential for further development identified through this program for Managers & Senior Managers.

- Inspire, Motivate and Develop Others
  - Productivity and Result Orientation
  - Promote Teamwork, Collaboration, and Innovation
  - Create effective organizational communication.
  - Guide Others through change
  - Develop self-awareness and Emotional Intelligence
  - Coaching and Mentoring
  - Delegation
  - Negotiations
  - Problem Solving and Decision Making
  - Strategic Thinking and Tools for Implementation
  - Building a High Performing Team
  - Sales and Stakeholder Management
- o 18 employees from GG4.2 to GG5.1 got certified from 2022 to 2023; 7-month-long training programme.



**Leadership Enhancement Action Programme (LEAP):**

**Program Objective:**

LEAP is a focused program to enhance managerial capabilities and build leadership skills for Team Leads.

LEAP focuses on building leadership, managing teams, Innovation, change management, resolving conflict and leading.

- o Completed 4 batches covering 100 employees from Grades GG3.2 to GG4.1; 3-month training programme.



**Key Achievements**

- o Tech Up-Skilling:
  - Number of Certifications: 2,550
  - Coursera Certifications: 1,986
  - Industry Certifications: 551
  - Udemy Certifications: 8
  - LinkedIn Certifications: 5
- o Learning Metrics Achieved:
  - Total learning hours – 130,455
  - Average learning hours per employee – 33 hours (against a 32-hour target)
  - Unique no. of associates trained (headcount active) – 3,837
- o **Expert Connect Sessions:** 5+ sessions published, 300+ attended.

**Top Programs**

1. Dale Carnegie - Leadership Excellence Program – 18 Employees graduated.
2. New Joiner Orientation Program (NJOP) – 1,564 Employees Trained
3. LEAP – Leadership Enhancement Action Program – 100 Employees Trained
4. Step-Up Soft Skills Program - 300 Employees Trained
5. Microsoft Azure – 18 Employees Trained/Certified
6. Oracle Financials – 25 Employees Trained
7. Visualizations – 10 Employees Trained
8. Airbus Trainings – 74 Trained & Certified
9. Test Methodology – 37 Employees Trained
10. Agile Awareness – 200+ Employees Trained
11. ASPICE – 172 Employees Trained
12. ISTQB – 100 Trained + Certified

#### 40. Quality, technology and systems:

The Company has established a Compliance Framework that follows a phased approach. It starts with establishing legal, contractual and security requirements to be complied with, internal communication and creating awareness on these requirements, integration of requirements with existing security and process framework for ongoing compliance, monitoring and audit for ensuring compliance, periodic assessment of the maturing level of compliance processes and reporting and improvement of the security framework. The compliance framework is independently assessed and certified by external certification bodies on an annual basis. Independent assessments are done as part of ISO 9001, ISO 27001, PCI DSS and SSAE 18/ISAE3402 certifications.

##### ISO 9001:2015 (Quality Management System)

All offshore testing centers of the Company are certified for Quality Management System (ISO 9001:2015).

The Company has adopted quality management system to improve its overall performance and provide a sound basis for sustainable development activities. The Company promotes adopting a process approach when developing, implementing, and improving the effectiveness of a quality management system to enhance customer satisfaction by meeting customer requirements. This enables the Company to plan its processes and their interactions. This also enables the Company to ensure that its processes are adequately resourced and managed and opportunities for improvement are determined and acted on. The Company also implemented risk-based thinking which enables to determine the factors that could cause the processes and its quality management system to deviate from the planned results, put in place preventive controls to minimize negative impacts and to make maximum use of opportunities as they arise. The process approach involves the systematic definition and management of processes and their interactions, to achieve the intended results by following the top management's quality policy and strategic direction. The Company adopts various forms of improvement and correction and continual improvements, such as breakthrough change, innovation, and reorganization.

##### ISO 27001:2013 (Information Security Management System)

All offshore testing centers of the Company are certified for Information Security Management System (ISO 27001: 2013).

The Company achieves information security by implementing a suitable set of controls, including

policies, processes, procedures, organizational structures and software and hardware functions. These controls are established, implemented, monitored, reviewed, and improved to meet the organization's specific security and business objectives.

The Company has adopted ISO 27001, an international standard for establishing, implementing, maintaining, and continually improving an information security management system. The adoption of an information security management system is a strategic decision for an organization. Its establishment and implementation are influenced by the organization's needs and objectives, security requirements, processes used and the size and structure. The information security management system helps the Company to identify and address the threats and opportunities around Company information and related assets. This helps to protect the Company from security breaches and shields from any disruption if and when they happen.

The information security management system in the Company preserves the confidentiality, integrity and availability of information by applying a risk management process and gives confidence to interested parties. The information security management system helps the Company's business in many ways – Safeguarding the Company's information assets, demonstrate to external stakeholders how secure the Company information is, stay ahead of new information security risks and opportunities and thereby supporting Company's development and growth.

The information security management system is integrated with the organization's processes and overall management structure, and information security is considered in the design of processes, information systems, and controls.

##### SSAE 18 (Statement on Standards for Attestation Engagements) / ISAE 3402 (the International Standard on Assurance Engagements):

The offshore TCoE (Testing Centre of Excellence) of the Company in Chennai is compliant with ISAE 3402 (the International Standard on Assurance Engagements) and SSAE 18 (Statement on Standards for Attestation Engagements). SSAE 18/ ISAE 3402 is an independent assessment report that provides the confidence on control procedures, adequacy and reasonable assurance in the Company's service delivery, information security, and data privacy-related controls. SSAE 18 is more relevant for the US market, while ISAE 3402 is relevant for the rest of the World. Outsourcing companies (Expleo clients) are looking for third-party assurance to provide their clients (Expleo) with comfort about

their internal control environment. Replacing SAS 70, ISAE 3402 /SSAE 18 standards remain the most widely employed approach to demonstrate third-party assurance, providing coverage to users of outsourced services.

This report has been prepared to provide information on the Company's application testing services and related general computer controls for the services provided to clients. The assessment report illustrates the positive effects of a properly functioning and articulated control environment on an organization's senior management and clients. The Company has been assessed for the past 8 years by one of the Big 4 audit firms and attestation has been obtained stating that the controls are not only suitably designed but also effectively implemented over a period of one year. The assessment period is for one calendar year and the opinion is provided by the Certified Public Accountant stating that the controls are operating effectively over a period of time.

**PCI-DSS (Payment Card Industry Data Security Standard):**

Data protection is critical for the Company in maintaining its services to clients. The Company is also compliant with PCI-DSS, (worldwide data security standard defined by the Payment Card Industry Security Standards Council) since 2010 ensuring data security and reducing the risk of data breaches. The Company adopted PCI-DSS to meet the customer requirements specific to the 'Cards' domain. The Company has designed and implemented technical and operational controls to protect cardholder data.

The Company implemented a minimum set of requirements for protecting cardholder data. It also deployed additional controls and practices to mitigate risks further and address local, regional and sector laws and regulations. These controls also address the legislation or regulatory requirements to protect personally identifiable information or other data elements.

**Compliance to Data Protection Laws:**

Data Protection is a significant concern for organizations worldwide. The focus is on secure handling to ensure the protection of customer data as well as corporate data. The importance of privacy and data protection is increasingly recognized as more social and economic activities become online. When it comes to data protection, different countries have enacted distinct set of laws. As technological advances have improved data collection and surveillance capabilities, governments around the world have started passing laws regulating

what kind of data can be collected about users, how that data can be used, and how data should be stored and protected.

The European Union (EU) views privacy of personal information as a fundamental right. With the introduction of General Data Protection Regulation (GDPR) in 2018, the EU has given its people more control over their personal data. The USA has sector specific laws on the privacy of customer data such as health and financial information. The APAC and Middle East countries have also specific laws governing data protection.

With its global reach and client base, the Company is expected to adhere to various such data privacy compliance requirements. The Company has designed and implemented a Data protection framework to protect the personal information provided by its customers from engagement until the closure of services. This data protection framework is integrated with the information security framework in terms of securing the information provided by clients. As part of the Data Protection framework, the Company ensures that the contractual obligations concerning data protection are adhered to through technical and organizational measures. The Company also analyses the internal and external environment changes, including the contractual customer requirements on privacy and the various alerts (privacy incidents) to draw inputs for annually updating the Privacy Policy. The Company has not only implemented technical and organizational measures to protect data but also implemented processes for regular monitoring to protect itself from data breaches.

**41. Disclosure as required under Section 22 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has a policy on the prevention of sexual harassment at the workplace. It has duly constituted the Internal Complaints Committee (ICC), in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The ICC has been set up to redress any complaints received regarding sexual harassment and meets periodically. The ICC was reconstituted with new members during the financial year 2022-23. This was communicated to all employees for notification of any POSH related complaints. The POSH Policy covers all employees. The ICC did not have any complaints at the beginning of the year and was able to resolve the two complaints received during the financial year 2022-23.

#### 42. Listing fees:

The Company confirms that it has paid the annual listing fees for the financial year 2022-23 to both National Stock Exchange of India Limited and BSE Limited.

#### 43. Acknowledgments:

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

The Company thanks the Government of India, particularly the Ministry of Communication and Information Technology, the Ministry of Commerce, the Ministry of Finance, the Ministry of Corporate Affairs, the Customs and Excise departments, the Income Tax Department, the Reserve Bank of India, the State

Governments, Madras Export Processing Zone (MEPZ) and other government agencies for their support and looks forward to their continued support in the future. The Company also thanks the Governments of the countries where it has operations. The Directors wish to record their appreciation of business constituents like SEBI, NSE, BSE, NSDL, CDSL, etc., for their continued support for the Company's growth. The Directors also thank investors for their continued faith in the Company.

**For and on behalf of the Board of Directors of  
Expleo Solutions Limited**

**Ralph Franz Gillessen**

Chairman and Non-Executive Director

DIN : 05184138

**Place: Cologne, Germany**

**Date : May 25, 2023**



**Form AOC-I**

(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/ associate companies/ joint ventures:**

**Part A: Subsidiaries:**

(Information in respect of each subsidiary to be presented with amounts in Rs. in Million – based on standalone financials of subsidiaries)

Sl. No.	1	2	3	4
Name of the Subsidiary	Expleo Solutions Pte. Ltd., Singapore	Expleo Solutions Inc., USA	Expleo Solutions UK Ltd., UK	Expleo Solutions FZE, UAE
Date of Incorporation	21-Nov-2001	29-Apr-2002	1-Apr-2010	15-Jun-2010
Reporting period for the subsidiary concerned, if different from the holding Company's	NA	NA	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign	Singapore Dollars (SGD)	US Dollars (USD)	Great British Pound (GBP)	United Arab Emirates Dirham (AED)
	61.84	82.22	101.87	22.38
	(SGD VS INR as on 31.03.2023)	(USD VS INR as on 31.03. 2023)	(GBP VS INR as on 31.03. 2023)	(AED VS INR as on 31.03. 2023)
Share Capital (in Millions)	2.66	4.63	24.17	8.70
Reserves & Surplus (in Millions)	152.34	160.42	176.38	82.84
Total Assets (in Millions)	179.06	386.62	379.10	27.56
Total Liabilities (in Millions)	15.25	130.66	191.80	45.93
Investments (in Millions)	Nil	Nil	Nil	Nil
Turnover (in Millions)	45.15	301.42	168.88	231.21
Profit / (Loss) before taxation (in Millions)	22.95	49.45	43.29	9.18
Provision for taxation (in Millions)	1.65	10.69	7.09	-
Profit / (Loss) after taxation (in Millions)	21.30	38.76	36.20	9.18
Proposed Dividend	Nil	Nil	Nil	Nil
Extent of shareholding (in percentage)	100%	100%	100%	100%

**1. Names of subsidiaries which are yet to commence operations : NIL**

**2. Names of subsidiaries which have been liquidated or sold during the year : NIL**

## Part B: Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

The Company does not have Associate or Joint venturers for which the details are to be given under Part B of this form.

#### For and on behalf of the Board of Expleo Solutions Limited

**RALPH FRANZ GILLESSEN**  
Chairman & Director

**BALAJI VISWANATHAN**  
Managing Director & CEO

**DESIKAN NARAYANAN**  
Chief Financial Officer

**S. SAMPATH KUMAR**  
Company Secretary &  
Compliance Officer

DIN : 05184138

DIN : 06771242

ICSI Membership No. F3838

Place : Cologne, Germany

Place : Chennai, India

Place : Chennai, India

Place : Chennai, India

Date : May 25, 2023

Date : May 25, 2023

Date : May 25, 2023

Date : May 25, 2023

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Details of Related Party Transactions**

**1. Details of contracts or arrangements or transactions not at arm's length basis: None**

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

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

a)	Name(s) of the related party and nature of relationship	Expleo Group, its Holding Entity, its Subsidiaries and Associates (Group Companies)	Expleo Solutions UK Ltd UK (Subsidiary)	Expleo Solutions Pte Ltd., Singapore (Subsidiary)	Expleo Solutions Inc., USA (Subsidiary)	Expleo Solutions FZE., UAE (Subsidiary)
b)	Nature of contracts / arrangements / transactions	Availing and Rendering of Services	Availing and Rendering of Services	Availing and Rendering of Services	Availing and Rendering of Services	Availing and Rendering of Services
c)	Duration of the contracts / arrangements / transactions	One year from April 1, 2022 till March 31, 2023.	3 years from April 1, 2021 till March 31, 2024.	3 years from April 1, 2021 till March 31, 2024	3 years from April 1, 2021 till March 31, 2024	3 years from April 1, 2021 till March 31, 2024

a)	Name(s) of the related party and nature of relationship	Expleo Group, its Holding Entity, its Subsidiaries and Associates (Group Companies)	Expleo Solutions UK Ltd UK (Subsidiary)	Expleo Solutions Pte Ltd., Singapore (Subsidiary)	Expleo Solutions Inc., USA (Subsidiary)	Expleo Solutions FZE., UAE (Subsidiary)
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	From Expleo Solutions Limited & its Subsidiaries to Group Companies – Up to INR 1,900 Mn. per financial year.  From Group Companies to Expleo Solutions Limited & its Subsidiaries – Up to INR 2,100 Mn. per financial year.	From Subsidiary to holding Company – Up to INR 1,000 Mn. for the financial year 2022-23.  From Holding to Subsidiary Company – Up to INR 1,500 Mn. for the financial year 2022-23.	From Subsidiary to holding Company – Up to INR 200 Mn. for the financial year 2022-23.  From Holding to Subsidiary Company – Up to INR 300 Mn. for the financial year 2022-23.	From Subsidiary to holding Company – Up to INR 450 Mn. for the financial year 2022-23.  From Holding to Subsidiary Company – Up to INR 1,000 Mn. for the financial year 2022-23.	From Subsidiary to holding Company – Up to INR 400 Mn. for the financial year 2022-23.  From Holding to Subsidiary Company – Up to INR 100 Mn. for the financial year 2022-23.
e)	Date(s) of approval by the Board, if any	June 17, 2022	May 18, 2022	May 18, 2022	May 18, 2022 & November 10, 2022	May 18, 2022
f)	Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil

**For and on behalf of Board of Directors of  
Expleo Solutions Limited**

**Place:** Cologne, Germany  
**Date :** May 25, 2023

**Ralph Franz Gillessen**  
Chairman & Non-Executive Director  
DIN : 05184138

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)  
ACTIVITIES FOR FINANCIAL YEAR ENDED MARCH 31, 2023**

(Pursuant to Section 135 of Companies Act, 2013 read with Rules thereunder)

**1. Brief outline on CSR Policy of the Company.**

During this financial year 2022-23, the Company continued to make its commitments for the CSR initiatives, the details of the activities/ contributions are given below: The Policy can be viewed at our website: <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-on-Corporate-Social-Responsibility.pdf>

**2. Composition of CSR Committee:**

Sl. 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	Prof. S. Rajagopalan	Independent Director	4	4
2	Prof. K. Kumar	Independent Director	4	3
3	Ms. Lilian Jessie Paul	Independent Director	4	3

3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	<p>CSR Committee: <a href="https://investors.expleo.com/corporate-governance/CSR%20Policy">https://investors.expleo.com/corporate-governance/CSR Policy</a> <a href="https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-on-Corporate-Social-Responsibility.pdf">https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-on-Corporate-Social-Responsibility.pdf</a></p> <p>CSR Projects: <a href="https://investors.expleo.com/csr-certifications/">https://investors.expleo.com/csr-certifications/</a></p>
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	NA
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.	NA

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
		Nil	

6	Average net profit of the company as per section 135(5).	INR 1,005,506,254
7	(a) Two percent of average net profit of the company as per section 135(5)	INR 20,110,126
	(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)	INR 20,110,126
8	(a) CSR amount spent or unspent for the financial year:	NIL

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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
20,110,126	Nil	NA	NA	NIL	NA

(b) Details of CSR amount spent against **ongoing projects** for the financial year: NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. 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		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Nil												

(c) Details of CSR amount spent against other than on-going projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)
Sl. 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 Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency		
				State	District			Name	CSR Reg. number	
1	Monthly Contribution	Education	Yes	Maharashtra	Mumbai	243,200	No	Vidya Sagar	CSR00003082	
2	High School Project	Education	Yes	Maharashtra	Mumbai	1,406,313	No	Vidya Sagar	CSR00003082	
3	Care Giver Programme	Education	Yes	Maharashtra	Mumbai	740,800	No	Vidya Sagar	CSR00003082	
4	Renovation Project	Education	Yes	Tamil Nadu	Chennai	300,000	No	Vidya Sagar	CSR00003082	
5	Building Renovation (Painting)	Education	Yes	Tamil Nadu	Chennai	1,650,000	No	Vidya Sagar	CSR00003082	
6	Innovation Mobile Van, Chennai	Education	Yes	Tamil Nadu	Chennai	1,485,689	No	Agastya International Foundation	CSR00003442	
7	Science Center - 2 Schools - (Existing - Virugambakkam & Choolaimedu)	Education	Yes	Tamil Nadu	Chennai	743,488	No	Agastya International Foundation	CSR00003442	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Sl. 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 Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Reg. number
8	Playground for GGHS	Education	Yes	Tamil Nadu	Chennai	945,500	No	Aram Foundation	CSR00006541
9	Community Model	Education	Yes	Karnataka	Bengaluru	500,000	No	Diya Ghar	CSR00002722
10	Afforestation	Environment	Yes	Tamil Nadu	Chennai	353,500	No	Siruthuli	CSR00000023
11	School Infrastructure - GBHSS, Chrompet	Education	Yes	Tamil Nadu	Chennai	948,970	No	C.P.R. Environmental Education Centre (CPREEC)	CSR00002232
12	School Infrastructure - DRBCC, Perambur	Education	Yes	Tamil Nadu	Chennai	515,873	No	C.P.R. Environmental Education Centre (CPREEC)	CSR00002232
13	School infrastructure - Government School, Uthiramerur	Education	Yes	Tamil Nadu	Chennai	1,026,564	No	Rotary Guindy Trust	CSR00008950
14	Advance Nursing Lab for Experience Learning	Education	Yes	Maharashtra	Pune	21,00,000	No	Maharshi Karve Stree Shikshan Samstha	CSR00003823
15	Digital Learning Classroom for K.B. Joshi Institute of Information Technology	Education	Yes	Maharashtra	Pune	32,00,000	No	Maharshi Karve Stree Shikshan Samstha	CSR00003823
16	School Kit Program	Education	Yes	Maharashtra	Pune	10,00,000	No	Seva Sahayog	CSR00000756
17	Community Model	Education	Yes	Karnataka	Bangalore	20,39,085	No	Diya Garh Trust	CSR00002722
18	School Infrastructure Government School- Santhome	Education	Yes	Tamil Nadu	Chennai	5,00,000	No	Rotary Guindy Trust	CSR00008950
<b>Total</b>						<b>19,698,982</b>			

(d)	Amount spent in Administrative Overheads:	INR 4,11,144
(e)	Amount spent on Impact Assessment, if applicable	NA
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	INR 20,110,126
(g)	Excess amount for set off, if any	NIL

Sl. No.	Particulars	Amount (in Rs.)
i)	Two percent of average net profit of the company as per section 135(5)	INR 20,110,126
ii)	Total amount spent for the Financial Year	INR 20,110,126
iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
NIL							

	(b)	Details of CSR amount spent in the financial year for <b>ongoing projects</b> of the preceding financial year(s): NIL
--	-----	---

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
NIL								

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 ( <b>asset-wise details</b> ).							NA
	(a) Date of creation or acquisition of the capital asset(s)							NA
	(b) Amount of CSR spent for creation or acquisition of capital asset							NA
	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.							NA
	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)							NA
11	Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5)							NA

**Balaji Viswanathan**  
Managing Director & CEO  
**Place :** Chennai  
**Date :** May 25, 2023

**Prof. S. Rajagopalan**  
Chairman - CSR Committee  
**Place :** United States of America  
**Date :** May 25, 2023



## Annexure IV A

Pursuant to Section 197 of Companies Act, 2013 r/w Rule 5 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

I Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One crore and Two lakhs

Sl. No.	Name	Designation	Remuneration in INR.	Qualification	Experience (No. of years) (Overall experience including Expleo)	Date of commencement of employment	Age (Yrs)	Last employment held by such employee before joining the company (with Designation)	Percentage of Equity Shares held #	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Balaji Viswanathan	Managing Director & CEO	24,091,114	B.sc, ICWAI (Inter)	30	26/Jul/2018	51	Sr. Director - Global Banking & Insurance Delivery - Concentrix Daksh Service India Pvt Ltd	-	NA
2	Prashant Bramhankar	Whole-time Director & COO*	20,240,592	Mechanical Engineer, Executive Mgt from IIMB & Uni. of Cologne	33	13/Apr/2015	53	Director - Siemens Industry Software India Pvt Ltd.	-	NA
3	Anand Govindarajan	General Manager	14,304,323	BE, MS	27.5	1/Apr/2022	49	Chief Data Architect - Lucid Technologies and Solutions Ltd.	-	NA
4	Phani Tangirala	Senior Director-Sales and Client Management	12,454,946	B A	32	23/Sep/2010	51	Project Director - SSP India Private Limited	0.04	NA
5	Subramanian M S	Senior Director	11,875,107	Master of Science in Physics Master of Technology in Optical Communication Exe Diploma in Management from Symbiosis	22	28/Mar/2016	49	Program Manager - Tata Consultancy Services	-	NA
6	Jeyarajmoses Judsondaniel	Associate General Manager	10,986,355	B.Corn, MCA	20	20/Feb/2003	44	First Employment in Thinksoft	-	NA

\* Appointed as Whole-time Director & Chief Operating Officer w.e.f April 1, 2023.

# The percentage of equity shares held by the employee in the Company within the meaning of clause(iii) of sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Note : 1 : All the employees mentioned above are on the rolls of the Company

Note : 2 : None of the employees are relative of any Director or Manager

Note : 3 : It includes other incentives related to the FY 2021-22 which is paid during the current Financial Year

**Top Ten Employees in terms of Remuneration drawn during the financial year 2022-23**

Sl. No.	Name	Designation	Remuneration in INR.	Qualification	Experience (No. of years) (Overall experience including Expleo)	Date of commencement of employment	Age (Yrs)	Last employment held by such employee before joining the company (with Designation)	Percentage of Equity Shares held #	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Balaji Viswanathan	Managing Director & CEO	24,091,114	B.sc, ICWAI (Inter)	30	26/Jul/2018	51	Sr. Director - Global Banking & Insurance Delivery - Concentrix Daksh Service India Pvt Ltd	-	NA
2	Prashant Bramhankar	Whole-time Director & COO*	20,240,592	Mechanical Engineer, Executive Mgt from IIMB & Uni of Cologne	33	13/Apr/2015	53	Director - Siemens Industry Software India Pvt Ltd.	-	NA
3	Anand Govindarajan	General Manager	14,304,323	BE, MS	27.5	1/Apr/2022	49	Chief Data Architect - Lucid Technologies and Solutions Ltd.	-	NA
4	Phani Tangirala	Senior Director-Sales and Client Management	12,454,946	B A	32	23/Sep/2010	51	Project Director - SSP India Private Limited	0.04	NA
5	Subramanian M S	Senior Director	11,875,107	Master of Science in Physics Master of Technology in Optical Communication Exe Diploma in Management from Symbiosis	22	28-Mar-2016	49	Program Manager - Tata Consultancy Services	-	NA
6	Jeyarajmoses Judsondaniel	Associate General Manager	10,986,355	B.Com, MCA	20	20/Feb/2003	44	First Employment in Thinksoft	-	NA
7	Venkataramana Mantha	Senior Director	10,090,058	M-tech and MS	39	3/Mar/2016	60	Senior VP - Aerospace at AXISCADES	-	NA

Sl. No.	Name	Designation	Remuneration in INR.	Qualification	Experience (No. of years) (Overall experience including Expleo)	Date of commencement of employment	Age (Yrs)	Last employment held by such employee before joining the company (with Designation)	Percentage of Equity Shares held #	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
8	Prasad Satkar	Senior Director	9,866,896	B.E. (Electrical) PGDBA (Operations)	37	6/Apr/2015	57	Business Operations Director – SAP Labs India Pvt Ltd	-	NA
9	Saket Newaskar	Director	8,231,557	BE, PGDBM (MDI - Gurgaon)	17	18/May/2020	39	CTO - Joguru Technologies Pvt Ltd	-	NA
10	Unnikrishnan Anilkumar	Director	7,990,803	B.Tech – Automobile Engineering	22	6/Mar/2019	43	Director – Manufacturing Engineering - General Motors (GM) India Pvt Ltd, Talegaon, Pune, Maharashtra.	-	NA

\* Appointed as Whole-time Director & Chief Operating Officer w.e.f April 11, 2023.

# The percentage of equity shares held by the employee in the Company within the meaning of clause(iii) of sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Note : 1 : All the employees mentioned above are on the rolls of the Company

Note : 2 : None of the employees are relative of any Director or Manager

Note : 3 : It includes other incentives related to the FY 2021-22 which is paid during the current Financial Year

**II Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees Eight lakhs Fifty thousand only per month**

Sl. No.	Name	Designation	Remuneration in INR.	Qualification	Experience (No. of years) (Overall experience including Expleo)	Date of commencement of employment	Age (Yrs)	Last employment held by such employee before joining the company (with Designation)	Percentage of Equity Shares held #	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	R Hari Hara Subramaniam	Senior Director	9,133,572	CA	25	15/Jul/2021	50	CFO - Ampere Vehicles Private Limited	-	NA

**III Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company**

Sl. No.	Name	Designation	Remuneration in INR.	Qualification	Experience (No. of years) (Overall experience including Expleo)	Date of commencement of employment	Age (Yrs)	Last employment held by such employee before joining the company (with Designation)	Percentage of Equity Shares held #	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
										NIL

# The percentage of equity shares held by the employee in the Company within the meaning of clause(iii) of sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of Board of Directors of  
Expleo Solutions Limited**

**Place:** Cologne, Germany

**Date :** May 25, 2023

**Ralph Franz Gillessen**

Chairman and Non-Executive Director

DIN : 05184138

**Details as per Section 197 of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**1 The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Sl.No.	Name of the Director	Ratio of the remuneration of director to the median employee remuneration
1	Mr. Balaji Viswanathan	29.35 : 1 (1 denotes Median Salary)
2	Prof. K.Kumar	2.71 : 1 (1 denotes Median Salary)
3	Ms. Lilian Jessie Paul	2.43 : 1 (1 denotes Median Salary)
4	Prof. S. Rajagopalan	2.73 : 1 (1 denotes Median Salary)
5	Mr.Rajiv Kuchhal	2.63 : 1 (1 denotes Median Salary)
6	Mr. Ulrich Baümer	2.13 : 1 (1 denotes Median Salary)

The Working is based on payment/provision made in the books during the year.

**2 Percentage increase in remuneration:**

Sl.No.	Name	Designation	Percentage increase/ decrease in remuneration
1	Prof. K.Kumar	Director	22% increase compared to previous year*
2	Mr. Balaji Viswanathan	Managing Director & CEO	8 % increase compared to previous year*
3	Ms. Lilian Jessie Paul	Director	24% Increase compared to previous year*
4	Prof. S. Rajagopalan	Director	23% Increase compared to previous year*
5	Mr. Rajiv Kuchhal	Director	29% increase compared to previous year*
6	Mr. Ulrich Baümer	Director	28% increase compared to previous year#
7	Mr. Desikan Narayanan	Chief Financial Officer	7% increase compared to previous year#
8	Mr. S. Sampath Kumar	Company Secretary & Compliance Officer	9% increase compared to previous year#

\* The working is based on provisions made in the books during the current year and the payment will be made during the FY 2023-24.

# The Increase % considered during incremental cycle by the Board of Directors.

**3 Percentage increase in the median remuneration of employees:**

The percentage of increase in the Median employee remuneration is 1% as compared to the previous year.

**4 Permanent Employees:**

The Number of Permanent Employees on the rolls of the Company as on March 31, 2023 is 3,931 employees.

**5 Other details:**

S.No.	Particulars	Remarks
a	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year	During the FY 2021-22, the overall salary increased to employees around 10% (which excludes Managerial Remuneration)
b	Percentile increase in managerial remuneration	Compared to last financial year the Managerial remuneration increase by 8%
c	The comparison with the percentile increase in the employee remuneration with managerial remuneration and justification thereof	Employee remuneration (Excluding Managerial Remuneration) increased during CY 2022-23 (i.e. w.e.f. Jan '23) by 13% was based on the appraisals and evaluations.
d	Any exceptional circumstances for increase in the managerial remuneration	N.A.

**6** We hereby affirm that the remuneration paid to the Directors and Employees are as per the remuneration policy of the Company

**For and on behalf of Board of Directors of  
Expleo Solutions Limited**

**Place:** Cologne, Germany

**Date :** May 25, 2023

**Ralph Franz Gillessen**

Chairman and Non-Executive Director

DIN : 05184138

## Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the  
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

#### The Members

#### EXPLEO SOLUTIONS LIMITED

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2023 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the **reporting** made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended March 31, 2023 according to the provisions of:

1. The Companies Act, 2013 ('Act') and the rules made thereunder, as amended from time to time including Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and as mandated by the Companies Act, 2013.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder,
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder,
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment & External Commercial Borrowings,
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(there were no events requiring compliance during the Audit Period)**
  - (iv) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (v) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client.
  - (vi) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

- (vii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(there were no events requiring compliance during the Audit Period)**
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(there were no events requiring compliance during the Audit Period)**
- (ix) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(there were no events requiring compliance during the Audit Period)**

**We 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 following Labour and Industrial Laws specifically applicable to the Company, as listed below, as amended from time to time;

- (i) The Special Economic Zone Act, 2005 and rules made thereunder
- (ii) The Contract Labour (Regulation and Abolition) Act, 1970
- (iii) The Employees' Compensation Act, 1923
- (iv) The Employees' Provident Funds & Miscellaneous Provisions Act, 1952
- (v) The Employees' State Insurance Act, 1948
- (vi) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- (vii) The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
- (viii) The Industrial Disputes Act, 1949
- (ix) The Maternity Benefit Act, 1961
- (x) The Minimum Wages Act, 1948
- (xi) The Payment of Bonus Act, 1965
- (xii) The Payment of Gratuity Act, 1972
- (xiii) The Payment of Wages Act, 1936
- (xiv) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- (xv) The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
- (xvi) The Tamil Nadu Labour Welfare Fund Act, 1972
- (xvii) The Tamil Nadu Payment of Subsistence Allowance Act, 1981
- (xviii) The Tamil Nadu Shops and Establishments Act, 1947
- (xix) The Tamil Nadu Industrial Establishment (National, Festival and Special Holidays) Act, 1958
- (xx) The Tamil Nadu Tax on Professions, Trades & Callings and Employments Act, 1992
- (xxi) The Maharashtra Shops And Establishments (Regulation Of Employment And Conditions of Service) Act, 2017
- (xxii) The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

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

**We further report** that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The



changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to them at least seven days in advance or as the case may be, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**We further report that**, based on the information provided and the representation made by the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, the following event had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. The Hon'ble National Company Law Tribunal, Chennai Bench vide its Order Dated February 15, 2023 approved the Scheme of Amalgamation among Expleo Solutions Limited (Transferee Company), Expleo India Infosystems Private Limited (Transferor Company-1), Expleo Technologies India Private Limited (Transferor Company-2), Expleo Engineering India Private Limited (Transferor Company-3) and Silver Software Development Centre Private Limited (Transferor Company-4) and their shareholders and creditors. The same was also sanctioned / approved by The Hon'ble National Company Law Tribunal, Mumbai Bench on February 17, 2023 and The Hon'ble National Company Law Tribunal, Bengaluru Bench on February 28, 2023.

**For M/s. M. Alagar & Associates**  
**Practising Company Secretaries**  
**Peer Review Certificate No: 1707/2022**

**M.Alagar**  
**Managing Partner**

**FCS No.: 7488 / CoP No.: 8196**

**UDIN: F007488E000309603**

**Place :** Chennai

**Date :** May 15, 2023

This Report is to be read with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,

**The Members**  
**EXPLEO SOLUTIONS LIMITED**

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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 M/s. M. Alagar & Associates**  
**Practising Company Secretaries**  
**Peer Review Certificate No: 1707/2022**

**M.Alagar**

**Managing Partner**

**FCS No.: 7488 / CoP No.: 8196**

**UDIN: F007488E000309603**

**Place :** Chennai

**Date :** May 15, 2023

# Management Discussion and Analysis 2022-23



## Financial Highlights:

We continued to see compelling demand for our services across the markets. The opportunity for specialised testing services, automation, and digital services continues to see traction. Digital Services for the final quarter of FY '23 contributed 44% of our total business, as against 37.7% for the same period last year. We continue to invest in our people, skills, and partnerships. We are delighted to be voted as a 'Great Place to Work' with a continuing positive trajectory of Employee Satisfaction and Customer NPS. Though the attrition situation has improved, however, attracting the right talent continues to be a challenge. Our investments in training and upskilling have been key in helping bridge this gap.

Our total income during the financial year 2022-23 grew by 23% compared to the previous year - from INR 7,486 million to INR 9,194 million. We continued to focus on our cost optimization strategy which is reflected in the continued increase in our EBITDA and net profits. EBITDA witnessed a growth of 66% from INR 1,301 million (17.5%) to INR 2,162 million (23.9%) and our PAT improved by 98% from INR 677 million (9.11%) to INR 1,339 million (14.8%). DSO as of 31st March, 2023 was at 113 days as compared to 93 days as of 31st March, 2022.

Approval of the Scheme of Amalgamation ("Scheme") involving, Expleo India Infosystems Private Limited, Expleo Technologies India Private Limited, Expleo Engineering India Private Limited and Silver Software Development Centre Private Limited, with Expleo Solutions Limited was accorded

by the Hon'ble National Company Law Tribunal (NCLT), Chennai Bench on February 15, 2023, by Hon'ble NCLT, Mumbai Bench on February 17, 2023, and Hon'ble NCLT, Bengaluru Bench on February 28, 2023. Pursuant to the filing of the certified copies of the Order sanctioning the Scheme of the respective NCLTs with the Registrar of Companies (ROC), the Scheme has come into effect from April 1, 2023, the Effective Date, with Appointed Date as April 1, 2022. Your Company had consolidated all the Indian businesses of Expleo Group into a single entity to simplify the corporate structure, enhance business focus, improve synergies and focus on long term value creation.

We are happy to inform you that the Board of Directors has recommended a final dividend of Rs. 5/- per equity share for the financial year ending March 31, 2023.

## Financial Ratios

The details of significant changes (i.e., change of 25% or more as compared to the immediate previous financial year) in key financial ratios, along with detailed explanations, therefore:

S. No	Ratio description	31-Mar-23	31-Mar-22	Change %	Explanation
1	Current Ratio	3.30	2.57	28.3%	Current asset increase is mainly due to increase in trade receivable.
2	Debt Equity Ratio	0.09%	0.14%	-34.5%	Decrease is mainly due to improvement in Equity.
3	Operating Profit Margin (%)	22%	17%	32.6%	Revenue growth by 22% and Operating Profit growth by 61% during the year has resulted in improvement in ratio.
4	Net Profit Margin (%)	15%	9%	62.6%	Revenue growth by 22% and Net profit growth by 98% during the year has resulted in improvement in ratio.

### Industry Structure and Developments:

Over the past 12 months, Expleo's 'ahead of the curve' technological aptitude has solidified our position as the trusted transformation partner for leading enterprises in our focus sectors around the globe. Against a backdrop of unprecedented macroeconomic uncertainty, enterprises across the industry spectrum are exploring innovative ways to meet customer demands, unlock operational efficiencies and cost savings with a newfound intensity. The hyper-competitive demand for talent is also compounding challenges for enterprises that are already contending with supply chain disruption and evolving regulatory frameworks pertaining to customer data.

This strong phase of growth follows the consolidation of our Indian businesses, streamlining our corporate structure with a view to improving synergies and delivering sustained value generation for all stakeholders. This consolidation has reinforced Expleo's credentials as a leading provider of engineering, consulting, and technology services across our focused industry verticals. As specialists in cutting-edge transformation solutions, we continue to facilitate accelerated project delivery for our clients. Championing the 'Think Bold, Act Reliable' modus operandi, Expleo guides businesses out of their technological comfort zone while modernizing operational frameworks with a 'first time right' approach in accordance with the urgent contours of today's global economy.

### Opportunities and Threats:

Given this period of significant flux in the global economy, companies are recognising the need to become increasingly agile and adaptable. Business Agility is about understanding where you are now as an enterprise and being able to strategically allocate resources in order to achieve a desired future operational state. The significance of this has grown exponentially in recent months as businesses face the pressing need to transform, cut costs, and accelerate their rate of change in line with customer demands. In an intensely competitive landscape, companies acknowledge the critical importance of being agile and decisive more than ever before, while also addressing cultural and structural obstacles that hinder optimized performance.

The strategic impetus or motivation for change will vary from one business to another, underscored by the organisation's overarching vision and core objectives. The rationale for embracing a culture of Business Agility may stem from a desire to be more adaptable and fungible to prevailing trends, enhancing customer engagement through increased feedback loops, or improving the efficacy of business models. In our day-to-day interaction with our clients, there is a growing acceptance that in order to change business models, digital first approach is imperative for success.

Our recently published Business Transformation Index (BTI) 2023 report provides a timely and

comprehensive overview of how firms are faring on the global stage in terms of implementing digital transformation initiatives – aggregating the prevailing sentiments of 1,395 global business transformation leaders.

It is clear that enterprises are displaying a stronger drive towards embracing innovative strategies, generally expediting their digital transformation plans, and increasing investments in IT and technology-driven projects. Our research has shown that 81% of organizations' boards are now more likely to approve new IT strategies and innovations than a year ago, indicating that the pandemic-related surge in IT spending has endured year-on-year. In essence, business leaders are actioning their digital transformation ambitions by allocating resources and investments accordingly. While there is heightened appetite for IT spending, controlling costs is still a big priority for enterprises, with 42% of respondents acknowledging this as a top priority this year, up from 36% last year.

#### **Omnipresent Threats:**

When it comes to accelerating the pace of enterprise change, heightened geopolitical tensions, talent shortages, evolving customer expectations and sustainability targets have clearly hindered the execution of digital transformation agendas. The current state of play in the digital transformation arena is seeing a stalling of progress for a wide number of organizations. While a lot has been done, a significant body of work remains, and this evolving environment has led to a significant number of businesses falling short of their transformation targets. In fact, our research indicates that an astonishing 76% of companies are facing challenges in meeting at least one crucial objective in their business transformation endeavors. This figure represents a notable rise from the 2022 figure of 60%.

Skills gaps and talent shortages have undercut recruitment efforts. The limited availability of skilled professionals to manage emerging technologies is a pressing concern for businesses across the enterprise spectrum. The intense competition in the recruitment landscape underlines the case for internal training programs. As a means of circumnavigating current skills shortages, many enterprises are actively outsourcing specific roles in order to quickly leverage on-demand talent, while leaning on external service providers for the technical knowledge and renowned industry expertise.

#### **Segment-wise or Product-wise Performance:**

##### **Enterprises embracing ERP solutions:**

When queried on which technologies would be focus areas for their organisation's transformation plans in the next 1-2 years, 38% of respondents cited enterprise applications/ERP (Enterprise Resource Planning), up slightly from 36% last year. On a global level, Expleo is experiencing higher demand for ERP solutions from clients seeking automation-led cost savings and enhanced data visibility to drive better decision-making and scalability. Our expertise in system selection and implementation, customized configuration capabilities and seamless integration with existing systems continues to provide tremendous value to clients, as we work tirelessly to align the ERP solution with their specific needs and objectives.

##### **Machine Learning and Artificial Intelligence:**

According to our BTI research, Machine Learning (ML) and Artificial Intelligence (AI) is a focus area over the next 1-2 years for 37% of respondents. It is forecast that global investment in AI will exceed \$420 billion by 2028, representing a remarkable four-fold rise from current levels. AI and ML innovations offer numerous advantages that can be applied to a litany of cross-sectoral processes, helping to mitigate the risk of fraud, enable predictive maintenance, streamline workflows, analyze transaction data, and identify platform security concerns. However, in terms of how their organization use data, making full use of AI and ML was often or sometimes a problem for 69% of respondents, elevating the case for leveraging the expertise of an innovation partner like Expleo to maximize the operational efficiency gains from AI and ML deployments. We have experienced an uptick in the number of clients seeking expert guidance on how to derive as much business value as possible from AI and ML solutions.



### A new era of automation:

Perhaps acknowledging the breadth of omnipresent challenges, 70% of organisations feel they need to be far more radical in their adoption of automation. The use of automation is also being viewed as an effective means of freeing up time and resources to help businesses focus on more strategic initiatives. In terms of elevating the customer service experience, I anticipate Process Automation becoming an integral part of the customer journey, streamlining and automating complex business processes, resulting in faster and more efficient service delivery. Many of our clients already appreciate how Process Automation mitigates the need for manual intervention, minimizes errors, provides faster response times, and enables self-service options, ultimately enhancing the overall customer experience. We are ramping up our capabilities in this area, in expectation for even greater demand from our rapidly expanding client base.



### Exploring the benefits of Low-code, no-code in the new era of Open AI:

23% of global respondents cited low-code, no-code as a focus area over the next 1-2 years. These solutions enable rapid application development without extensive coding knowledge, making them quite an attractive proposition for companies. From our firsthand interactions with clients, low-code, no-code is viewed as a solution to drive agility and also in addressing obsolescence. However, with the advent of Open AI and tools like Chat GPT, which is expected to reduce the coding timelines, it will be an interesting opportunity for us to work on low-code, no-code along with Open AI and automation tools. In fact, 73% said organisations need to more strongly embrace low-code and no-code approaches to combat skills shortages.

Low-code, no-code solutions are also helping companies expedite time to market with new products while reducing the burden on their internal IT departments.

### Unlocking the promise of Web3:

Irrespective of market fluctuations, Web3, Blockchain and Decentralized Finance (DeFi) are focus areas for 34% of global respondents over the next 1-2 years. With regulatory frameworks such as MiCA (Markets in Crypto-Assets Regulation) coming into force in the European Union countries, this could lead to the emergence of similar policies in other jurisdictions, potentially spurring an influx of new participants into the global Web3 ecosystem. MiCA is geared towards establishing a comprehensive framework for regulating crypto-assets and related services across the European Union. The regulatory landscape plays a pivotal role in enterprise adoption of blockchain technology, and transparent regulations instill trust and attract the involvement of institutional investors. 2023 is set to be a landmark year for blockchain regulations, which will have a large bearing on innovation and investment in the sector.



### Outlook:

#### Changing the culture:

A supportive and open corporate culture fosters innovation, enabling employees to embrace change, collaborate effectively, and drive the overall transformation forward. Culture and change management was considered a major focus area over the next 1-2 years for 34% of global organizations, which speaks of the possible constraints associated with antiquated ways of working. Culture change is vital for a successful business transformation, and involves

breaking down silos, while adjusting behaviors to align with new goals and strategies. For some organisations, this may involve abandoning legacy mindsets and terminology such as 'this is the way we've always done things. Simply put, diversity of thinking is essential. However, there's no point in embarking on a deep phase of operational recalibration without leadership buy-in. To effectively facilitate a tangible cultural shift, it is crucial that business leaders provide support and concrete guidance to staff, helping them to successfully adopt and maintain new work practices. Additionally, it is essential that teams comprehend the reasons driving the change, and they should be trusted as product and domain experts to carry out their core functions with a reasonable degree of autonomy. At Expleo India, we are firm advocates for providing staff members with avenues to engage in work beyond their specific technical responsibilities, through upskilling and professional development initiatives. This is intrinsically linked to our staff retention and onboarding strategy.

### **Sharp focus on Diversity, Equity, And Inclusion (DE&I):**

In today's corporate environment, the DE&I imperative is a core facet of attracting diverse talent, enhancing employee morale and productivity, while contributing to a more equitable society. By embracing DE&I, businesses gain a competitive edge and drive sustainable growth. To address skills shortages, 38% are planning to hire from more diverse backgrounds, encompassing age, gender, ethnicity, and neurodiversity. Regarding their organisation's progress in improving diversity in their IT department, our BTI research shows that 36% have formal targets and are making some progress in meeting them, while 26% have formal targets and are making strong progress. Only 9% have no specific plans or targets.

Expleo India has always prioritised unbiased employment, and last year, we bolstered our workforce by onboarding technology aspirants who are hearing and speech impaired, bringing diverse backgrounds and technical skills to our team. With the support of our recruitment partner Oorjja, we were able to carry out a series of training and assessments to understand the talent pool's interests and abilities in delivering high-level UI/UX projects. This is just one example of our commitment to building a workforce that mirrors the wider community, demonstrating our passion for equality and inclusivity promotion.

### **Embracing the Sustainability imperative:**

The urgency of taking decisive action on the environmental front has captured the attention of enterprises like never before. In the past, a strong sustainability agenda was perceived more as a 'nice to have', but not a lynchpin of enterprise strategies. However, the landscape has shifted dramatically, and sustainability has swiftly risen to the top of operational priorities for businesses, as evidenced by Expleo's BTI 2023 findings. 53% of respondents agreed that a focus on sustainability is a strong catalyst for innovation.

From a competitive standpoint, it is crucial for organisations to integrate a culture of sustainability in their business model in order to attract and retain top talent. Today, environmentally conscious professionals are able to see past empty promises made by companies about vague sustainability efforts. They seek concrete evidence of improvements in IT infrastructure and clear allocation of funds. At Expleo, we have a deep passion for implementing digital-led sustainability initiatives for our clients, while exploring fresh ideas and deploying innovative technologies to elevate the customer experience, address skill gaps, strengthen cybersecurity, and enhance business agility. We take immense pride in being the trusted partner of choice for companies seeking to refine their transformation initiatives and accelerate innovation, while upholding a rigorous sustainability agenda.

### **Risks and Concerns:**

While it is highly encouraging to witness the 'digital-first' mindset prevailing within the business community, our research illustrates that 37% of organisations had to significantly scale back digital/business transformation plans recently. 47% cited cost inflation as one of the biggest threats to their digital/business transformation plans over the next 12 months, and economic uncertainty was cited as a threat by 39% of respondents. Skills shortages were perceived as a threat for 38% of respondents, and in response to geopolitical uncertainty, 29% of UK respondents have stopped working with suppliers in certain locations. 75% of respondents agreed that there are significantly more external threats to their business compared to a year ago – giving expression to the sense of trepidation that has permeated the wider corporate consciousness.

Lingering fear of potential service disruptions often makes the prospect of comprehensive

changes to systems architecture seem overwhelming. For companies contemplating a transformation project, it is crucial to understand that undertaking extensive digital initiatives while maintaining reliable service delivery doesn't have to be an all-or-nothing scenario. With effective execution, it is possible to sustain service delivery while simultaneously rewiring digital infrastructure. However, the approach being taken by organisations could be stifling progress. 56% of respondents felt it is better to adopt a structured, methodical approach to digital projects in which they minimise the risk of failure at launch as opposed to a 'fail fast' approach to digital projects, where they aim to learn quickly from trialing solutions in-market. 28% of respondents preferred the 'fail fast' approach and 16% were comfortable with both approaches.

Despite the challenging environment, Expleo is well positioned to support the rapid digital adoption and to provide consulting and solutions

to cross-sectoral enterprises to advance their digital ambitions. While roadblocks remain, the bottom line is this: companies remain steadfast in their efforts to launch innovative products, improve processes, and deliver exceptional customer value – key trends which are very promising for the global ecosystem at large. As a fast growing, consultative solution provider for enterprise transformation, Expleo looks forward to working with companies at every stage of development to nurture a culture of Business Agility from within and navigate the current climate with a greater degree of conviction and confidence.

#### **Internal Controls Systems and their Adequacy:**

To reduce the possibility or the impact of an adverse event, the CEO and CFO of the Company have provided a certificate, which forms a part of this annual report, confirming the adequacy of the internal control systems and procedures.



## Report on Corporate Governance

### 1. Company's Philosophy on Code of Corporate Governance:

Expleo Solutions Limited (**"the Company"**) is committed to maintaining high standards of Corporate Governance, protecting Customers', Shareholders', and other Stakeholders' interests. In line with this philosophy, the Company endeavours to maintain transparency at all levels through adoption of best Corporate Governance Practices. The following is a report on the status and progress on the major aspects of Corporate Governance.

### 2. Board of Directors:

The Directors of the Company possess highest professional ethics, integrity and values and are committed to representing the long-term interests of the stakeholders. The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business judgment on behalf of the Company.

#### I. Composition:

The Board has an optimum combination of Executive, Non-Executive, and Independent Directors, which ensures proper governance and management.

As on March 31, 2023, the Board of Directors (**"Board"**) comprises of nine members out of which one is Executive Director, one Non-Executive Director is representing Promoter, two Non-Executive Directors are nominated by the Promoter, and five are Non-Executive-Independent Directors.

The optimum combination of Executive, Non-executive and Independent Directors ensure independence of the Board and separation of Board function from governance and management.

The Board of Directors is of the opinion that the Independent Directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and are independent of the management.

As mandated under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, neither of the Directors are a member of more than ten specified Committees nor any of them are acting as the Chairperson of more than five specified Committees, across all Public Limited Companies in which they are Directors.

#### II. Board Meetings:

During the year, 7 (Seven) Board Meetings were held as under.

SI No.	Date of Meeting	Physical/Video Conference
1	May 18, 2022	Physical
2	June 17, 2022	Video Conferencing
3	July 14, 2022	Video Conferencing
4	August 11, 2022	Video Conferencing
5	November 10, 2022	Physical
6	January 11, 2023	Video Conferencing
7	February 14, 2023	Physical

**III. Attendance of each Director at the Board Meetings and last AGM and the number of companies and Committees where he/ she is a Director/ Member are as under:**

Name of the Director	Category of Director	Number of Board Meetings during the year 2022-23			Whether attended last AGM held on August 11, 2022	Directorships in other Companies	Number of Committee positions held in other Public Companies
		Held	Held after appointment / before resignation	Attended			
Mr. Ralph Franz Gillessen	Promoter-Non-Executive Director	7	7	7	Yes	-	-
Prof. K. Kumar	Independent & Non-Executive Director	7	7	7	Yes	-	-
Mr. Rajesh Krishnamurthy	Promoter-Non-Executive Director	7	7	2	No	-	-
Mr. Balaji Viswanathan	Managing Director & CEO	7	7	7	Yes	-	-
Ms. Lilian Jessie Paul	Independent & Non-Executive Director	7	7	6	Yes	3	3
Prof. S. Rajagopalan	Independent & Non-Executive Director	7	7	6	Yes	-	-
Mr. Prashant Eknath Bramhankar	Promoter-Non-Executive Director	7	7	7	Yes	-	-
Mr. Rajiv Kuchhal	Independent & Non-Executive Director	7	7	7	Yes	-	-
Mr. Ulrich Bäumer	Independent & Non-Executive Director	7	7	3	No	-	-

#Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorship.

**Notes:**

- a. None of the Directors, holds directorships in any other Indian Public Limited Companies nor hold Membership/Chairmanship of any Committee(s) in other Indian Public Limited Companies (listed and unlisted), apart from the details given above.
- b. For the purpose of Membership in Committees, the Membership in Audit Committee and Stakeholders Relationship Committee are only considered as per Regulation 26(1) (a) & (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c. None of the Non-Executive Directors, apart from receiving director's sitting fees/commission, have any material pecuniary relationship or transactions with the Company.
- d. None of the Directors are related inter-se.
- e. During the year, information as mentioned under Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, has been placed before the Board for its consideration.

**IV. Name of other listed entities where Directors of the company are Directors and the category of Directorship:**

Sl. No.	Name of Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship
1	Ms. Lilian Jessie Paul DIN: 02864506	i) Bajaj Consumer Care Limited	Independent & Non-Executive Director
		ii) Credit Access Grameen Limited	Independent & Non-Executive Director
		iii) PB Fintech Limited	Independent & Non-Executive Director

**V. Skills / Expertise / Competencies of the Board of Directors**

The following are the core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and the said skills are available with the Board Members:

Name of Directors	Skills / Expertise / Competencies
Mr. Ralph Franz Gillessen	(i) Knowledge on Company's businesses, policies, and culture (including the Mission, Vision, and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates. (ii) Behavioural skills: attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company. (iii) Business Strategy, Corporate Governance, Forex Management, Administration, Decision Making. (iv) Sales & Marketing: Developing strategies to grow sales and market share, build brand awareness and equity, and enhance Company's reputation. (v) Financial and Management skills. (vi) Technical / Professional skills and specialised knowledge in relation to Company's business.
Prof. K. Kumar	
Mr. Balaji Viswanathan	
Ms. Lilian Jessie Paul*	
Prof. S. Rajagopalan	
Mr. Rajiv Kuchhal	
Mr. Ulrich Bäumer	
Mr. Rajesh Krishnamurthy	
Mr. Prashant Eknath Bramhankar	

\* Except Forex Management.

**Post meeting follow-up mechanism:**

Important decisions taken at the Board/Committee Meetings are promptly communicated to the concerned departments. Action Taken Report on decisions/minutes of previous meetings is placed at the succeeding meetings of the Board/Committee for taking note.

**VI. Number of Shares held by Non-Executive Directors:**

Number of shares held by Non-Executive Directors as on March 31, 2023, are:

Sl. No.	Name	Shares
1	Prof. K. Kumar	11,000
2	Prof. S. Rajagopalan	1,000
3	Mr. Rajiv Kuchhal	58,855
	<b>TOTAL</b>	<b>70,855</b>

No other Non-Executive Directors hold any shares in the Company.

## VII. Familiarisation Programmes:

The details of familiarisation programmes provided to Independent Directors are uploaded in the Company's website.

The web link for the same is <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Details-of-Familiarisation-Programme-for-Independent-Directors.pdf>

### 3. Audit Committee:

#### I. The terms of reference of the Audit Committee are broadly as under:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Boards' report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013 ("the Act");
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report;
- e) Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
- f) 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 or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the Company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the Company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- m) 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;
- n) Discussion with internal auditors of any significant findings and follow up thereon;
- o) 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;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look 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;
- r) To review the functioning of the Whistle Blower mechanism;
- s) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience, and background, etc., of the candidate;
- t) Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date;
- u) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Company and its shareholders.
- v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**II. Composition, name of the Members and Chairman, meetings, and attendance during the year:**

The Audit Committee of the Company is constituted in line with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Section 177 of the Companies Act, 2013. Accordingly, the Audit Committee consists of three Independent Directors. The Chairman of the Audit Committee is an Independent Director.

The Statutory Auditors and Internal Auditors are invited to attend the Audit Committee meetings as and when necessary and the Company Secretary acts as the Secretary of the Committee.

The minutes of the meetings of the Audit Committee are circulated to all the members of the Board along with the Board Agenda.

During the year, 8 (Eight) Audit Committee Meetings were held as under:

<b>SL No.</b>	<b>Date of Meeting</b>	<b>Physical/Video Conference</b>
1	May 18, 2022	Physical
2	June 17, 2022	Video Conferencing
3	July 14, 2022	Video Conferencing
4	August 10, 2022	Video Conferencing
5	November 10, 2022	Physical
6	December 02, 2022	Video Conferencing
7	January 11, 2023	Video Conferencing
8	February 14, 2023	Physical

The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of the Director	Status	Number of meetings during the year 2022-23		
		Held	Held after Appointment/before resignation	Attended
Prof. K. Kumar	Chairman	8	8	7
Prof. S. Rajagopalan	Member	8	8	8
Mr. Rajiv Kuchhal	Member	8	8	8

Prof. K. Kumar, Chairman of the Audit Committee attended the previous Annual General Meeting of the Company held on August 11, 2022.

During the year, all the recommendations of the Audit Committee were accepted by the Board.

#### 4. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was constituted to assist the Board in discharging responsibilities related to performance evaluation, formulating policy for selection and appointment of directors and Key Managerial Personnel (“KMP”), and appointment and compensation of the Company’s Executive Directors / KMP. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies, and programs for the Executive Director. The Committee is entailed to formulate various policies as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

##### I. Brief description of terms of reference:

The terms of reference of the Nomination and Remuneration Committee are broadly as under:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) 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:
  - use the services of an external agency, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- c) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- d) Devising a policy on Board diversity;
- e) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.

- f) 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;
- g) Recommend to the board, all remuneration, in whatever form, payable to senior management;
- h) To review the Company's remuneration policy on specific remuneration packages to Executive Directors including pension rights and any compensation payment while striking a balance with the interest of the Company and the shareholders;
- i) To approve the Annual Remuneration Plan of the Company;
- j) To formulate the Employees Stock Option Scheme in accordance with the relevant regulations/ guidelines for the time being in force, recommend the same to the Board for its consideration and administration of ESOP Scheme as stipulated under Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

**II. Composition, name of the Members and Chairman and attendance during the year:**

The Committee consists of four Independent Directors.

Ms. Lilian Jessie Paul (DIN: 02864506) has been appointed as a Member of Nomination & Remuneration Committee of the Company with effect from May 18, 2022, by the Board of Directors.

The quorum for a meeting of the nomination and remuneration committee shall be either two or one-third of the members of the committee, whichever is greater, including at least one independent director in attendance.

The nomination and remuneration committee shall meet at least once in a year.

During the year, 5 (Five) Nomination and Remuneration Committee Meetings were held as under:

SL No.	Date of Meeting	Physical/Video Conference
1	May 17, 2022	Physical
2	August 10, 2022	Video Conferencing
3	November 09, 2022	Physical
4	December 16, 2022	Video Conferencing
5	February 13, 2023	Physical

The name of Chairman and Members of the Committee along with the meeting attendance is given in the below table:

Name of the Director	Status	Number of meetings during the year 2022-23		
		Held	Held after Appointment / before resignation	Attended
Prof. K. Kumar	Chairman	5	5	5
Prof. S. Rajagopalan	Member	5	5	5
Mr. Rajiv Kuchhal	Member	5	5	5
Ms. Lilian Jessie Paul	Member	5	4	2

**III. Performance Evaluation Criteria for Independent Directors:**

The Performance Evaluation Criteria for Independent Directors is provided under the heading Board evaluation in the Boards' Report.

## 5. Remuneration of Directors:

### I. Remuneration policy:

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has formulated a policy, relating to the remuneration of the Directors, Key Managerial Personnel, and other employees.

The remuneration policy framed by the Nomination and Remuneration Committee warrants the Committee to decide on the remuneration and other areas that fall under the terms of reference of the Committee.

The Policy also sets out the following in details:

- a) Qualifications for appointment of Directors (including Independent Directors)
- b) Positive attributes of Directors (including Independent Directors)
- c) Criteria for appointment of KMP/Senior Management
- d) Policy relating to remuneration of Whole-time Directors
- e) Policy relating to remuneration of Non-Executive/Independent Directors
- f) Policy relating to remuneration of Key Managerial Personnel and Senior Management Personnel.

### II. Details of Remuneration for the year ended March 31, 2023:

The disclosure on the remuneration of directors as required under Schedule V(C)(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, are as follows:

#### a. Remuneration of Non-Executive Directors:

Name of the Director	Commission (Rs. In Millions)	Sitting Fees (Rs. In Millions)	Total (Rs. In Millions)
Prof. K. Kumar	1.625	0.540	2.165
Ms. Lilian Jessie Paul	1.625	0.320	1.945
Prof. S. Rajagopalan	1.625	0.560	2.185
Mr. Rajiv Kuchhal	1.625	0.480	2.105
Mr. Ulrich Bäumer	1.625	0.080	1.705
Mr. Rajesh Krishnamurthy	Nil	Nil	Nil
Mr. Ralph Gillessen	Nil	Nil	Nil
Mr. Prashanth Eknath Bramhankar	Nil	Nil	Nil

#### b. Criteria of making payments to Non-Executive Directors:

The criteria of making payments to Non-Executive Directors is provided under Item No. 29 of the Boards' Report.



**c. Shares and Stock option details:**

Details of Shares and Stock option held by Non-Executive Directors as on March 31, 2023, are as under:

SI.No	Name	Shares Held	Stock Option
1	Prof. K. Kumar	11,000	Nil
2	Prof. S. Rajagopalan	1,000	Nil
3	Mr. Rajiv Kuchhal	58,855	Nil
	<b>TOTAL</b>	<b>70,855</b>	

None of the other Directors on the Board hold any shares and stock options as on March 31, 2023.

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independence of the director, except receiving sitting fee for attending meetings and commission.

**d. Remuneration of Executive Director:**

Compensation to Mr. Balaji Viswanathan, Managing Director & CEO, is paid as per the Service Agreement entered with him subject to the limits specified as per the provisions of the Companies Act, 2013.

(Rs. In Millions)		
Sl. No.	Particulars of Remuneration	Mr. Balaji Viswanathan, MD & CEO FY 2022-23
1	Gross Salary	17.18
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
5	Others (Incentives)*	6.28
	<b>Total</b>	<b>23.46</b>

\*Includes provision made in the books for which payment will be made during financial year 2023-24.

Other Incentives as mentioned in point 5 above include the performance-based incentives for the financial year 2022-23. These were based on the achievement of a set of parameters - both quantitative as well as qualitative and achievement of milestones for implementation of merger proposal - as framed by the Nomination and Remuneration Committee and decided by the Board of Directors of the Company from time to time.

The agreement with the Managing Director & CEO has been entered into for a period of 3 years, effective from the date of appointment. Further, either party to the agreement is entitled to terminate the Agreement by giving not less than six months' notice in writing to the other party or by prior approval of the Board of Directors. The Managing Director & CEO is entitled for severance pay subject to the provisions contained in Section 202 of the Companies Act, 2013.

**6. Stakeholders' Relationship Committee:**

The Committee has been formed to:

- a) look into and resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.

- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year, 4 (Four) Stakeholders' Relationship Committee Meetings were held as under:

SL No.	Date of Meeting	Physical/Video Conference
1	May 17, 2022	Physical
2	August 10, 2022	Video Conferencing
3	November 09, 2022	Physical
4	February 13, 2023	Physical

The Committee consists of three Independent Directors. The Chairman of the Committee is an Independent & Non-Executive Director.

The composition of the Stakeholders' Relationship Committee along with the meeting attendance is given in the below table:

The Chairman of the Stakeholders' Relationship Committee was present at the 24th Annual General Meeting to answer the Shareholders' queries.

Name of the Director	Status	Number of meetings during the year 2022-23	
		Held	Attended
Prof. S. Rajagopalan	Chairman	4	4
Prof. K. Kumar	Member	4	4
Ms. Lilian Jessie Paul	Member	4	2

Mr. S. Sampath Kumar, Company Secretary was designated as the Compliance Officer of the Company in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The status of investor complaints received during the year is as follows:

Number of Complaints received during the year	1
Number of Complaints resolved during the year	1
Number of Complaints not solved to the satisfaction of Shareholders	NIL
Number of Complaints pending as on March 31, 2023	NIL

## 7. Corporate Social Responsibility Committee:

The Committee has been formed to formulate and recommend to the Board, a Corporate Social Responsibility Policy. The Committee shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. It will also recommend the amount of expenditure to be incurred on the activities referred above and monitor the Corporate Social Responsibility Policy of the Company from time to time.

4 (Four) Corporate Social Responsibility Committee Meetings were held during the year through Video Conference. The meetings were held on May 4, 2022; July 27, 2022; October 28, 2022; and January 24, 2023.

The Committee consists of three Independent Directors. The Chairman of the Committee is Independent & Non-Executive Director. The composition of the Corporate Social Responsibility Committee along with the meeting attendance is given in the below table:

Name of the Director	Status	Number of meetings during the year 2022-23	
		Held	Attended
Prof. S. Rajagopalan	Chairman	4	4
Prof. K. Kumar	Member	4	3
Ms. Lilian Jessie Paul	Member	4	3

## 8. Risk Management Committee:

The Risk Management Committee of the Company is constituted in line with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Accordingly, the Risk Management Committee consists of Two Independent Directors and One Executive Director. The Chairman of the Committee is an Independent Director.

The Chief Financial Officer and the Chief Risk Officer are invited to attend the Risk Management Committee meetings as and when necessary and the Company Secretary acts as the Secretary of the Committee.

The terms of reference of the Risk Management Committee shall include the following:

- To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken;
- The appointment, removal, and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate 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.

3 (Three) Risk Management Committee Meetings were held through video conference during the year. The dates on which the said meetings were held are as follows: August 30, 2022;

October 19, 2022; and March 30, 2023. The composition of the Risk Management Committee and the details of meetings attended by its members are given below:

Name of the Director	Status	Number of meetings during the year 2022-23		
		Held	Held after Appointment / before resignation	Attended
Mr. Rajiv Kuchhal	Chairman	3	3	3
Ms. Lilian Jessie Paul	Member	3	3	3
Mr. Balaji Viswanathan	Member	3	3	3

#### 9. Independent Directors' Meeting:

One meeting of Independent Directors of the Company was held on February 13, 2023, without the presence of Non-Independent Directors and the members of the Management. All the Independent Directors of the Company have participated in the said meeting, except Ms. Lilian Jessie Paul to whom the leave of absence was granted.

The composition of the Independent Directors Meeting and the details of meetings attended by its members are given below:

Name of the Director	Status	Number of meetings during the year 2022-23		
		Held	Held after Appointment / before resignation	Attended
Prof. K. Kumar	Independent Director	1	1	1
Prof. S. Rajagopalan	Independent Director	1	1	1
Ms. Lilian Jessie Paul	Independent Director	1	1	0
Mr. Rajiv Kuchhal	Independent Director	1	1	1
Mr. Ulrich Bäumer	Independent Director	1	1	1

In the meeting held on February 13, 2023, the Independent Directors have,

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- iii. Assessed the quality, quantity, and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## 10. General Body Meetings:

### I. Location, date, and time of the last three Annual General Meetings held:

Details	Date	Time	Venue
Annual General Meeting 2019-20	August 27, 2020	3.30 p.m.	Through Video Conferencing or Other Audio-Visual Means (OAVM).
Annual General Meeting 2020-21	August 26, 2021	3.30 p.m.	Through Video Conferencing or Other Audio-Visual Means (OAVM).
Annual General Meeting 2021-22	August 11, 2022	3.30 p.m.	Through Video Conferencing or Other Audio-Visual Means (OAVM).

### II. Extra-ordinary General Meeting:

No Extra-ordinary General Meeting of the members was held during the year.

### III. Postal Ballot:

No Resolution was passed by way of Postal Ballot during the year. However, in the financial year 2023-24, based on the approval of Amalgamation of Companies by Hon'ble National Company Law Tribunal, Chennai Bench, the Company has appointed Mr. Prashant Eknath Bramhankar as Whole-time Director and Chief Operating Officer with effect from April 01, 2023.

As per Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of Mr. Prashant Eknath Bramhankar has to be approved by the Shareholders on or before June 30, 2023. Hence, it is proposed to conduct a Postal Ballot for seeking the approval of shareholders for the appointment of Mr. Prashant Eknath Bramhankar as Whole Time Director & Chief Operating Officer (COO).

### IV. Special Resolutions in the last three Annual General Meetings:

**22<sup>nd</sup> Annual General Meeting for the financial year 2019–20 held on August 27, 2020 – NIL**

**23<sup>rd</sup> Annual General Meeting for the financial year 2020–21 held on August 26, 2021**

Re-appointment of Mr. Balaji Viswanathan (DIN 06771242) as Managing Director and Chief Executive Officer (Key Managerial Personnel) of the Company.

**24<sup>th</sup> Annual General Meeting for the financial year 2021-22 held on August 11, 2022 - NIL**

## 11. Means of Communication to Shareholders:

### Quarterly results and newspapers wherein the results published:

During the year, quarterly, half yearly and annual Financial Results of the Company on the Standalone and Consolidated basis were submitted to the Stock Exchanges soon after they were approved by the Board of Directors.

The Financial Results are also published in two leading newspapers Financial Express (English) and Makkal Kural (Tamil). Results are displayed in the Company's Website <https://investors.expleo.com/>

All material information about the Company is promptly disclosed through electronic platform to the Stock Exchanges where the Company's shares are listed.

All official news releases of relevance to the investors are also made available on the Company's website. The presentations made to the institutional investors or to the analysts are also placed on the website of the Company.

## 12. General Shareholder Information:

### I. Annual General Meeting Date, Time, and Venue:

25<sup>th</sup> Annual General Meeting

Date and Time: August 10, 2023, at 03.30 p.m.

Venue: Through Video Conferencing or Other Audio-Visual Means (OAVM).

### II. Financial calendar:

The Financial Year of the Company is for a period of 12 months from April 1 to March 31.

Tentative Financial Calendar for the year 2023–24:

First Quarter Results	On or before August 14, 2023
Half Yearly Results	On or before November 14, 2023
Third Quarter Results	On or before February 14, 2024
Fourth Quarter and Annual Results	On or before May 30, 2024

### III. Date of book closure:

August 04, 2023, to August 10, 2023 (both days inclusive)

**IV. Dividend payment date:** On or before September 09, 2023.

### V. Listing of Stock Exchanges and Stock Code:

1,02,52,485 equity shares of Rs. 10/- each is listed at:

Name of the Stock Exchange	Stock Symbol
National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex Bandra (East), Mumbai – 400 051	EXPLEOSOL
BSE Limited (BSE), PJ Towers, Dalal Street, Mumbai – 400 001	533121

The Company has paid the annual listing fees for the year 2022–23 to both the above Stock Exchanges.

### VI. Market Price data:

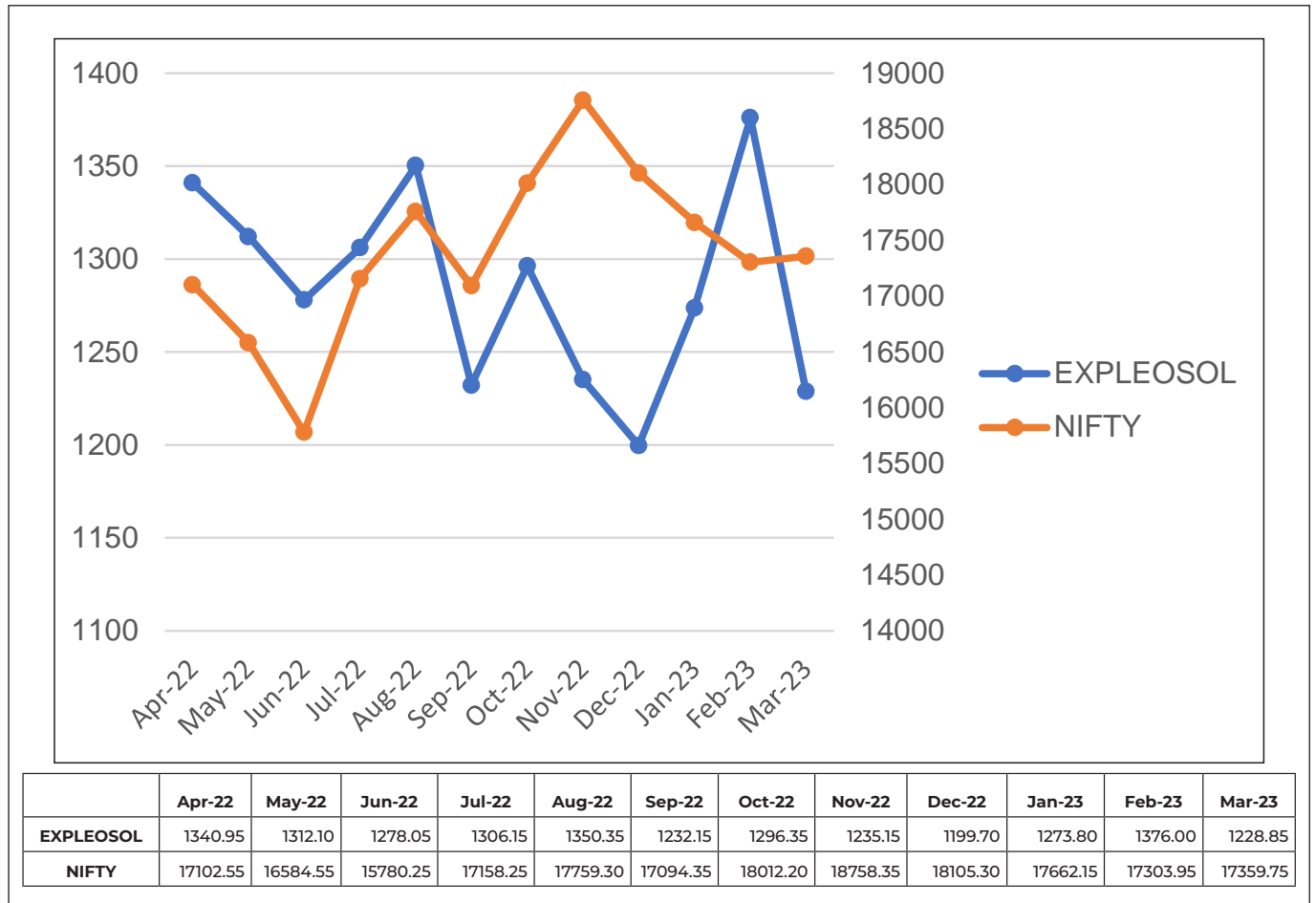
The closing market price of equity shares on March 31, 2023 (last trading day of the year) was Rs. 1,228.85 on NSE and Rs. 1,235.80 on BSE.

**VII. Monthly share price movement during 2022–23 at NSE & BSE:**

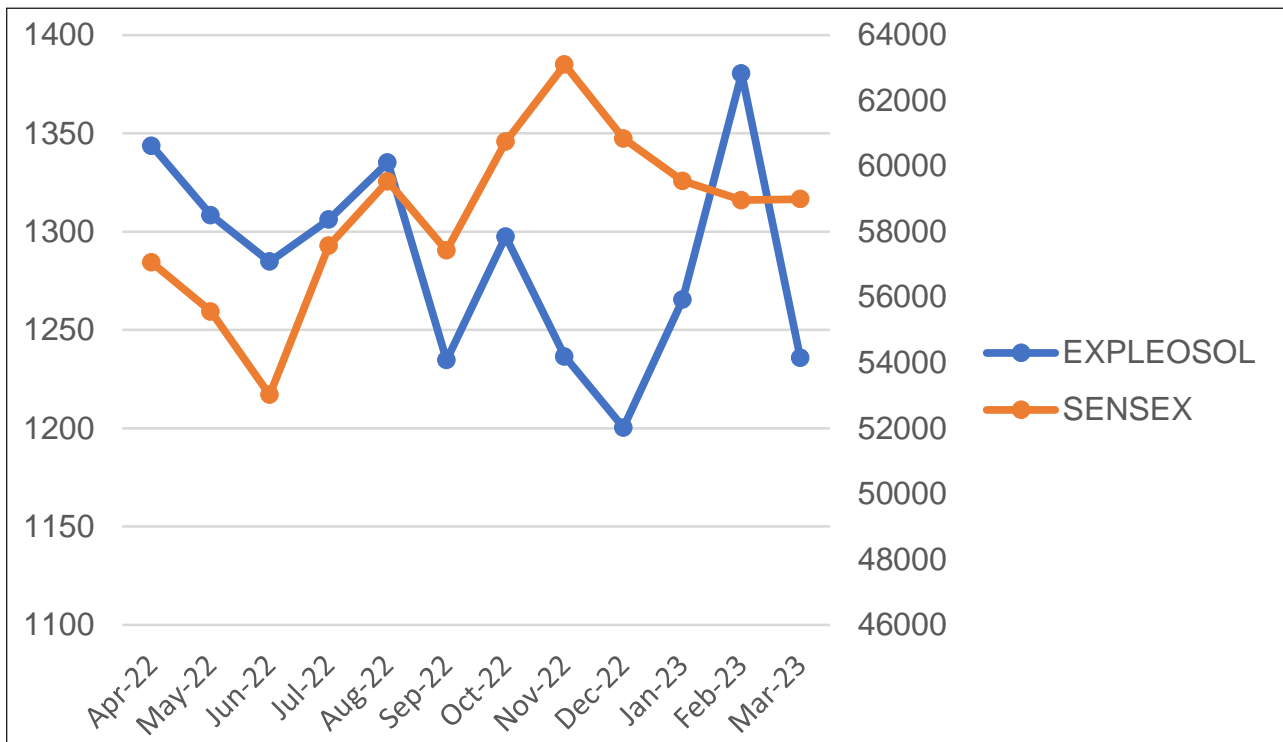
The monthly movement of equity share prices during the year at NSE and BSE are summarised herein below:

MONTH	NSE			BSE		
	HIGH (Rs.)	LOW (Rs.)	VOLUME	HIGH (Rs.)	LOW (Rs.)	VOLUME
April, 2022	1,749.00	1,331.05	5,20,977	1,750.00	1,331.20	1,41,130
May, 2022	1,471.00	1,185.00	5,23,804	1,466.15	1,183.60	1,38,974
June, 2022	1,445.00	1,192.95	3,20,413	1,444.15	1,178.45	25,305
July, 2022	1,378.00	1,148.05	3,79,614	1,372.30	1,148.40	33,862
August, 2022	1,531.00	1,269.00	3,92,034	1,530.75	1,270.80	35,264
September, 2022	1,415.20	1,222.65	5,63,453	1,415.00	1,223.10	1,98,416
October, 2022	1,410.00	1,181.00	3,10,436	1,409.00	1,180.00	99,539
November, 2022	1,349.00	1,194.00	2,77,997	1,359.45	1,199.00	94,914
December, 2022	1,305.00	1,151.00	2,12,393	1,298.90	1,120.10	17,226
January, 2023	1,319.95	1,180.05	2,62,628	1,317.00	1,173.25	22,996
February, 2023	1,449.80	1,211.00	3,82,339	1,450.00	1,215.00	24,609
March, 2023	1,410.00	1,200.00	2,24,120	1,409.75	1,199.50	21,586
<b>TOTAL</b>			<b>43,70,208</b>			<b>8,53,821</b>

**VIII. The performance of the equity share price of the Company vis-à-vis the NIFTY at NSE is as under:**



**IX. The performance of the equity share price of the Company vis-à-vis the SENSEX at BSE is as under:**



	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
<b>EXPLEOSOL</b>	1343.70	1308.40	1284.80	1306.10	1335.20	1234.70	1297.55	1236.50	1200.30	1265.40	1380.40	1235.80
<b>SENSEX</b>	57060.87	55566.41	53018.94	57570.25	59537.07	57426.92	60746.59	63099.65	60840.74	59549.90	58962.12	58991.52

**X. Registrar and Share Transfer Agents:**

The Registrar & Share Transfer Agent deals with all shareholders communications regarding change of address, transfer of shares, change of mandate, dematerialisation of shares, non-receipt of dividend, etc., The address of the Registrar & Share Transfer Agent is as under:

Name and Address of Registrar and Share Transfer Agent	M/s. Cameo Corporate Services Limited Subramanian Building No.1, Club House Road Chennai 600 002
Tel	+91 44 2846 0390 / +91 44 4002 0700
E-mail ID	<a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a>
Website	<a href="https://www.cameoindia.com">https://www.cameoindia.com</a>

**XI. Share transfer system:**

The shares of the Company are compulsorily traded in dematerialised form. There was no request for physical transmission or transposition during the year.



## XII. Distribution of shareholding as on March 31, 2023:

Category (Amount based on Rs.10/- nominal value per share)	No. of Shareholders	% of Shareholders	No. of shares held	Amount (Rs.)	% of Amount
Up to 5000	19689	95.25	1074425	10744250	10.48
5001-10000	484	2.34	355266	3552660	3.46
10001-20000	230	1.11	334157	3341570	3.26
20001-30000	94	0.46	235689	2356890	2.30
30001-40000	38	0.18	134987	1349870	1.32
40001-50000	25	0.12	111129	1111290	1.08
50001-100000	57	0.28	394656	3946560	3.85
100001 and Above	54	0.26	7612176	76121760	74.25
<b>Total</b>	<b>20671</b>	<b>100.00</b>	<b>10252485</b>	<b>102524850</b>	<b>100.00</b>

## Shareholding Pattern as on March 31, 2023: \*

Sl. No	Category	Number of Shares	% of holding
1	Promoters	57,58,804	56.17%
2	Clearing Members	408	0.00%
3	Bodies Corporate	7,37,903	7.20%
4	Non-Resident Indians	1,93,753	1.89%
5	Public and Others	35,61,617	34.74%
	<b>Total</b>	<b>1,02,52,485</b>	<b>100.00%</b>

\* Pursuant to the approval of the Scheme of Amalgamation by the Hon'ble National Company Law Tribunal (NCLT), Chennai Bench, the Board of Directors of the Company on May 9, 2023 approved the allotment of 52,67,254 equity shares of Rs. 10/- each to the Promoter, and thereby the total paid-up share capital stands increased to Rs. 15,51,97,390/- (1,55,19,739 equity shares of Rs. 10/- each).

## XIII. Dematerialisation of securities and liquidity:

As on March 31, 2023, 1,02,52,481 shares of the Company were held in dematerialised form and four (4) shares were held in physical form. The demat security (ISIN) code for the equity share is INE201K01015.

The promoter and promoter group hold their entire shareholding only in dematerialised form.

## XIV. Outstanding GDRs/ADRs/warrants/any other convertible instruments:

The Company has not issued instruments of the captioned type.

## XV. Foreign Exchange Risk and Hedging Activities:

The Company does not have any policy for hedging exchange fluctuations. The Company does not hedge for any future payments / receipts in foreign currency. The Company maintains and operates Exchange Earner's Foreign Currency (EEFC) accounts to handle foreign currency transactions / exposures. Exchange differences on account of conversion of foreign currency transactions are recognised as income / expense, as the case may be, in the financial statements.

## XVI. Locations:

The Company has three Delivery Centres at Chennai, a Sales office cum Delivery Centre in Mumbai and a new training centre in Coimbatore. The Company has branch offices in Bengaluru, Pune,

Israel, Belgium, Malaysia, and the Philippines. The addresses of these offices are available on the Company's website.

**XVII. Details of Unpaid Dividends:**

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund (IEPF) established by the Government. During the financial year 2022-23, an amount of Rs. 3,89,340/- which was lying in the Final Dividend 2014-15 account and an amount of Rs. 1,14,948/- which was lying in the Interim Dividend 2015-16 account of the Company was transferred to the IEPF on completion of seven (7) years.

The last date for claiming unpaid dividend amount before transfer to IEPF account are as under:

Financial Year		Date of Declaration	Last date for claiming unpaid dividend
Final Dividend	2015-16	28-Jul-16	2-Sep-23
Interim Dividend	2016-17	20-Oct-16	25-Nov-23
Final Dividend	2016-17	27-Jul-17	01-Sep-24
Interim Dividend	2017-18	26-Oct-17	01-Dec-24
Final Dividend	2017-18	26-July -18	31-Aug-25

Individual reminders are sent to those Members whose dividends have remained unclaimed. The information on unclaimed dividend is also posted on the website of the Company.

**XVIII. Address for Correspondence:**

S. Sampath Kumar,

Company Secretary and Compliance Officer

Expleo Solutions Limited

6A, Sixth Floor, Prince Infocity-II,

283/3, 283/4, Rajiv Gandhi Salai (OMR),

Kandanchavadi, Chennai - 600 096

Telephone: +91 44 4392 3200

Fax: +91 44 4392 3258

Website: <https://investors.expleo.com/> e-mail: [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com)

**XIX. Credit Rating:**

The Company has not issued any debt instrument as on March 31, 2023 and hence not applicable.

**13. Other Disclosures:**

**I. Materially Significant Related Party Transactions:**

There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large.

All transactions entered into by the Company with related parties, as defined under the Act and the Listing Regulations, during the financial year 2022-23 were in the ordinary course of business, on arm's length pricing basis, and do not attract the provisions of Section 188 of the Act. The necessary disclosures as required under the Ind AS have been made in the Financial Statements. The Board approved policy on materiality of related party transactions and on dealing with related party transactions is disclosed on the website of the Company at <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-on-Materiality-of-Related-Party-Transactions-1.pdf>

II. There were no instances of material non-compliance, and no strictures or penalties were imposed on the Company either by Securities Exchange Board of India (SEBI), Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

**III. Whistle Blower Policy:**

The Company has formulated and adopted a Whistle Blower policy. No employee has been denied access to the Audit Committee. The details of establishment of Whistle Blower Policy are posted on the Company's website. The web link for the same is <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Whistle-Blower-Policy.pdf>

**IV. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:**

The Company has complied with all mandatory requirements laid down in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable. The Company has also adopted voluntary requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the "Separate posts of Chairperson and Chief Executive Officer". Compliance with other non-mandatory requirements is disclosed at appropriate places.

**V. Policy for determining Material Subsidiary:**

The policy for determining Material Subsidiary of the Company is uploaded on the Company's website. The web link for the same is <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-for-Determining-Material-Subsidiaries.pdf>.

**VI. Policy on dealing with Related Party Transactions:**

The policy on dealing with Related Party Transactions of the Company is uploaded on the Company's website.

The web link for the same is <https://investors.expleo.com/wp-content/documents/corporate-governance/corporate-governance-policies/Policy-on-Materiality-of-Related-Party-Transactions-1.pdf>.

**VII. Disclosure of commodity price risks and commodity hedging activities - Nil**

**VIII. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a. number of complaints filed during the financial year - 2
- b. number of complaints disposed off during the financial year - 2
- c. number of complaints pending as at end of the financial year - Nil

**IX. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

Expleo Solutions Limited : Mr. Rajesh Krishnamurthy - Non-Executive Director

Expleo Services SASU : Mr. Rajesh Krishnamurthy - Chief Executive Officer.

Consolidated Financials : Related Party Transactions :

Particulars	Nature of Relationship	Name of the Related party	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on loan given	Entities under common control	Expleo Services SASU, France	2,11,73,482	87,66,576

Particulars	Nature of Relationship	Name of the Related party	As on March 31, 2023	As on March 31, 2022
Outstanding Balance of Loan Given	Entities under common control	Expleo Services SASU, France	46,61,12,066	19,26,76,008
Interest Receivable on Loan	Entities under common control	Expleo Services SASU, France	93,33,470	20,78,031

**X. Disclosures with respect to demat suspense account / unclaimed suspense account:** Nil

**XI. Details of material subsidiaries of the listed entity:** Nil

**XII. Compliances under SEBI (LODR) Regulations, 2015:**

The Company regularly complies with the requirements as stipulated under SEBI (LODR) Regulations, 2015. The information, certificates, and returns as required under the provisions of SEBI (LODR) Regulations, 2015 are sent to the stock exchanges within the prescribed timeframe.

Peer review of Auditors Regulation 33 (1) (d) of the Listing Regulations stipulates that limited review / audit reports shall be given only by an Auditor who has subjected himself to the peer review process and holds a valid certificate issued by the Peer Review Board of the ICAI. The statutory auditors of the Company M/s Kalyaniwalla & Mistry LLP have undergone the peer review process and been issued requisite certificate bearing number 013324 valid till July 31, 2024 that was placed before the Audit Committee.

The total fees for all the services paid by the Company 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 is Rs. 8,360,000/-. The figure mentioned excludes out of pocket expenses amounting Rs. 600,000/-.

A certificate from a company secretary in practice, stating that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board or Ministry of Corporate Affairs or any such statutory authority is annexed herewith.

**XIII. Extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:**

**i. Reporting of Internal Auditor.**

The internal auditor may report directly to the Audit Committee.

**ii. No Modified opinion(s) in audit report**

The auditors' report on the Standalone financial statements of the Company is unmodified.

**XIV. CEO and CFO Certification:**

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company have certified the annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations.

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have certified the quarterly financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

The annual certificate given by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) is given below followed by the certificate as per Regulation 17(8).

**XV. Disclosure of Compliance with Corporate Governance Requirements specified in Regulations 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

The Company has complied with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Regulations 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company submits a quarterly compliance report on corporate governance signed by the Compliance Officer to the Stock Exchange within twenty-one (21) days from the close of every quarter. Such quarterly compliance reports on corporate governance are also posted on the website of the Company.

Compliance with the Conditions of Corporate Governance has also been certified by the Statutory Auditors of the Company. The said certificate is attached with this report and will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

## **INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

### **To the Members of**

### **Expleo Solutions Limited**

1. This certificate is issued with regard to compliance of conditions of Corporate Governance by Expleo Solutions Limited ("the Company") for the year ended March 31, 2023, as stipulated in Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"), pursuant to the Listing Agreement of the Company with the Stock Exchanges.

### **Management's Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management, including preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### **Auditor's Responsibility**

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable during the year ended March 31, 2023.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Restriction on use**

9. This certificate has been issued at the request of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations and should not be used by any other person or for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in Writing.

**For KALYANIWALLA & MISTRY LLP**

**CHARTERED ACCOUNTANTS**

**Firm Registration Number 104607W/W100166**

**FARHAD M. BHESANIA**

**PARTNER**

**Membership Number 127355**

**UDIN : 23127355BGWIFY7523**

**Place:** Chennai

**Date:** May 25, 2023

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

**The Members  
Expleo Solutions Limited**

6A, Sixth floor, Prince Info-city II,  
No.283/3 & 283/4, Rajiv Gandhi Salai (OMR),  
Kandanchavadi, Chennai – 600 096

We have examined:

- (i) the relevant registers, records, forms, returns and disclosures received from the Directors of Expleo Solutions Limited having CIN L64202TN1998PLC066604 and having registered office at 6A, Sixth Floor, Prince Info-city II, No. 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai – 600 096 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (ii) the list of entities debarred by SEBI as published by BSE Limited in their weblink <https://www.bseindia.com/investors/debent.aspx> and updated as on 17<sup>th</sup> May 2023;

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below as on the financial year ended 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No	Name of Director	DIN	Date of appointment / re-appointment in the Company
1	Mr. Balaji Viswanathan	06771242	01-Sep-2018 (re-appointed with effect from 01-Sep-2021)
2	Prof. Kothandaraman Kumar	02343860	17-Sep-2008 (re-appointed with effect from 01-Apr-2019)
3	Ms. Lilian Jessie Paul	02864506	30-Oct-2014 (re-appointed with effect from 30-Oct-2019)
4	Mr. Prashant Eknath Bramhankar	07439819	01-Sep-2021 (*appointed as Non-Executive Director with effect from 11-Aug-2022)
5	Mr. Rajesh Krishnamurthy	08288884	01-Sep-2020 (appointed as Non-Executive Director with effect from 26-Aug-2021)
6	Mr. Rajiv Kuchhal	02257381	21-Sep-2011 (re-appointed with effect from 01-Apr-2019)



<b>Sl. No</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment / re-appointment in the Company</b>
7	Mr. Ralph Franz Gillessen	05184138	09-Aug-2018
8	Prof. Santhanagopalan Rajagopalan	01584674	17-Sep-2008 (re-appointed with effect from 01-Apr-2019)
9	Mr. Ulrich Josef Paul Baumer	06763831	27-Dec-2013 (re-appointed with effect from 01-Apr-2019)

\* appointed as a Whole-Time Director & Chief Operating Officer with effect from 01-Apr-2023 subject to shareholders' approval.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification of the records and disclosures. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S.A.E & Associates LLP  
Company Secretaries**

**Sri Vidhya Kumar, Partner  
FCS. No. 11114, C.P. NO. 20181  
FRN: L2018TN004700**

**Peer Review Certificate No. 2822/2022**

**UDIN: F011114E000371507**

**Place:** Chennai

**Date:** May 24, 2023

## CEO & CFO Certification

**We, Balaji Viswanathan, Managing Director & Chief Executive Officer and Desikan Narayanan, Chief Financial Officer, responsible for the finance function certify that:**

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which they 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.

**Place** : Chennai

**Date** : May 25, 2023

**Balaji Viswanathan**

Managing Director & CEO

**Desikan Narayanan**

Chief Financial Officer

**Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct**

This is to confirm that the Company has adopted the Code of Conduct for its employees including the Directors and Senior Management Personnel. The Code of Conduct is posted on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2023, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, the Senior Management Team means Members of the Management one level below Executive Directors as on March 31, 2023.

**Place:** Chennai

**Date :** May 25, 2023

**Balaji Viswanathan**

Managing Director and CEO

## Business Responsibility and Sustainability Report 2022-23

### Section A: General Disclosures

#### I. Details of the listed entity

Sl. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Listed Entity	L64202TN1998PLC066604
2	Name of the Listed Entity	<b>EXPLEO SOLUTIONS LIMITED</b>
3	Year of incorporation	1998
4	Registered office address	6A, Sixth Floor, Prince Infocity II, No. 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai - 600 096
5	Corporate address	6A, Sixth Floor, Prince Infocity II, No. 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai - 600 096
6	E-mail	<a href="mailto:cosec.expleosol@expleogroup.com">cosec.expleosol@expleogroup.com</a>
7	Telephone	+91 44 4392 3200
8	Website	<a href="https://investors.expleo.com/">https://investors.expleo.com/</a>
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited.
11	Paid-up Capital	Please refer Point Nos. 3 and 6 in the Boards' Report
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Balaji Viswanathan, Managing Director & CEO Telephone: +91 44 4392 3200 Email: <a href="mailto:balaji.viswanathan@expleogroup.com">balaji.viswanathan@expleogroup.com</a> Name: S. Sampath Kumar, Company Secretary & Compliance Officer Telephone: +91 44 4392 3200 Email ID: <a href="mailto:sampathkumar.seshadri@expleogroup.com">sampathkumar.seshadri@expleogroup.com</a>
13	Reporting boundary	Consolidated basis  (The previous year figures in the report excludes Bengaluru and Pune Branch which were separate legal entities prior to the merger in FY 2022-23)

#### II. Products / Services

14. Details of business activities (accounting for 90% of the turnover)			
SR. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Information and Communication	Computer Programming, Consultancy and Related Activities	100%

<b>15. Products / Services sold by the entity (accounting for 90% of the entity's Turnover)</b>			
<b>SR. No.</b>	<b>Product / Service</b>	<b>NIC Code</b>	<b>% of total Turnover contributed</b>
1	Expleo Solutions Limited is part of the Expleo Group, a global engineering, technology and consulting service provider guiding Leading Organizations through business transformation	62011 - Software Testing Service	100%

**III. Operations**

<b>16. Number of locations where plants and/or operations/offices of the entity are situated</b>			
<b>Location</b>	<b>Number of Plants</b>	<b>Number of Offices</b>	<b>Total</b>
National	0	5	5
International	0	8	8

<b>17. Markets served by the entity</b>	
<b>a. Number of Locations</b>	
Locations	Number
National (No. of States)	9
International (No. of Countries)	33
<b>b. What is the contribution of exports as a percentage of the total turnover of the entity?</b>	
75.90%	
<b>c. A brief on types of customers</b>	
Expleo Solutions Limited serves corporate clients across 14 industries, including BFSI, NBFC, and enterprise business to deliver engineering and quality assurance services.	

**IV. Employees**

<b>18. Details as at the end of Financial Year</b>						
<b>a. Employees and Workers (including differently abled)</b>						
<b>Sr. No.</b>	<b>Particulars</b>	<b>Total (A)</b>	<b>Male</b>		<b>Female</b>	
			<b>No. (B)</b>	<b>% (B/A)</b>	<b>No. (C)</b>	<b>% (C/A)</b>
<b>EMPLOYEES</b>						
1	Permanent (D)	3989	2675	67%	1314	33%
2	Other than Permanent (E)	324	219	68%	105	32%
3	Total Employees (D+E)	4313	2894	67%	1419	33%
<b>WORKERS</b>						
1	Permanent (F)	0	0	0%	0	0%
2	Other than Permanent (G)	0	0	0%	0	0%
3	Total Workers (F+G)	0	0	0%	0	0%

18. Details as at the end of Financial Year						
b. Differently abled Employees and Workers						
Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	2	2	100%	0	0%
2	Other than Permanent (E)	0	0	0	0	0%
3	Total Employees (D+E)	2	2	100%	0	0%
<b>DIFFERENTLY ABLED WORKERS</b>						
1	Permanent (F)	0	0	0%	0	0%
2	Other than Permanent (G)	0	0	0%	0	0%
3	Total Workers (F+G)	0	0	0%	0	0%

**19. Participation/Inclusion/Representation of women**

	Total (A)	No. and % of Females	
		No. (B)	% (B/A)
Board of Directors	9	1	11.11%
Key Management Personnel	3	0	0%

**20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)**

	FY22-23 (Turnover rate in current FY)			FY 21-22 (Turnover rate in previous FY)			FY 20-21 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	37%	29%	34%	36%	38%	36%	21%	14%	19%
Permanent Workers	0%	0%	0%	0%	0%	0%	0%	0%	0%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary / associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Expleo Technology Germany GmbH	Holding	71.05%*	No
2	Expleo Solutions Pte Ltd, Singapore	Subsidiary	100%	Yes
3	Expleo Solutions UK Ltd, UK	Subsidiary	100%	Yes
4	Expleo Solutions Inc, USA	Subsidiary	100%	Yes
5	Expleo Solutions FZE, UAE	Subsidiary	100%	Yes

\*Expleo Technology Germany GmbH holds 71.05% in Expleo Solutions Limited.

\*The increase in percentage is due to allotment of 52,67,254 Equity Shares to Promoter on 9th May, 2023.

**VI. CSR Details**

<b>22. CSR Details</b>	
(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in Rs.)	9,03,29,50,000
(iii) Net worth (in Rs.)	5,30,23,20,000

**VII. Transparency & Disclosures Compliances**

<b>23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:</b>							
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	0	0	0	0	0	0
Investors (other than shareholders)	No	0	0	0	0	0	0
Shareholders	Yes**	1	0	0	2	0	0
Employees and workers	Yes**	2*	0	0	0	0	0
Customers	Yes**	13	0	0	15	0	0
Value Chain Partners	No	0	0	0	0	0	0
Other (please specify)	No	0	0	0	0	0	0

\* Complaints include only POSH complaints.

\*\*Company has an internal policy of grievance redressal which is communicated to the relevant stakeholder.

**24. Overview of the entity’s material responsible business conduct issues:**

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format**

Sr. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1	<p>To undertake the appropriate advance planning related to critical processes to ensure the ability to recover and maintain business operations in the event of a disruption due to internal, third party, physical or natural circumstances.</p> <p>Information systems critical to business performance are not consistently available or able to be quickly restored following a man-made or natural disaster.</p>	Risk	Failure to have advance planning for critical process in case of business disruption	<p>Business Continuity and Disaster recovery plan in place</p> <p>Redundancy built in infrastructure</p>	Negative
2	Employee Engagement & Satisfaction (direct impact with Attrition).	Risk	Employee retention	<p>Employee retention programmes</p> <p>Periodic Town hall, skip level session, connect with senior management teams etc.,</p> <p>Exclusive Training imparted to the Mid Managers</p>	Negative
3	The mismanagement of “socially responsible” activities (e.g., conducting social responsibility training for management of manufacturers, undertaking environmental programs, participating in community initiatives) resulting in an unfavorable Corporate perception with stakeholders, customers, suppliers, business partners, employees and the regulatory community.	Risk	Absence of CSR activities which would result in non-compliance to regulatory requirements	<p>CSR activities - budgeting as per Companies Act calculation validation by statutory auditors’ stringent process and control before onboarding of NGOs including contracts.</p> <p>Regular monitoring on spending of projects on a regular basis</p>	Negative



Sr. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
4	Formal standards of employee code of conduct that are intended to direct and influence the way business is conducted, above and beyond the letter of the law.	Risk	Absence of standards for employee code of conduct	Ethics and conduct agreed by employees Disciplinary process - Incident management	Negative
5	To comply with environmental regulations / requirements, carbon footprint reduction expectations, resulting in loss of market or fines.	Risk	Failure to comply with environmental regulations	Business Responsibility Report as part of Annual report, Approved by Board	Negative
6	The risk of diseases and pandemics to adversely impact the workforce and supply chain.	Risk	Risk of pandemic affecting work force	Employee wellbeing monitoring Vaccination follow up and mandated Work from home setup Maintenance of buffer resources in projects Backup plan with delegation - this is yet to be actioned Wellness/Health programmers on every month	Negative
7	Maintain effective processes for capturing and institutionalizing learning across the organization, adequate succession planning resulting in slow response time, duplication, high costs, repeated mistakes or inconsistent skill sets.	Risk	Ineffective learning management	Availability of training resources - 24/7 Self Learning enablement (LMS, Coursera, Udemy) Training need analysis - Annually and addressing adhoc training request on monthly and quarterly. Publishing monthly Learning Dashboards Succession Planning - Management trainings	Negative

**Section B: Management & Process Disclosures**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions		P1	P2	P3	P4
<b>Policy &amp; Management Processes</b>					
1.a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes
b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes
c.	Web Link of the Policies, if available	<p>1. <u>Whistle Blower Policy</u></p> <p>2. <u>Code of Conduct for BoD</u></p> <p>3. <u>Code of Conduct</u></p> <p>4. Charter and covenants policy</p> <p>5. Supplier Code of Conduct</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the employees of the Company.</p>	<p>1. Information Security Policy</p> <p>2. Policy for Asset Management</p> <p>3. Procedure for Disposal of Information and Media</p> <p>4. Supplier Code of Conduct</p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the employees of the Company</p>	<p>1. <u>Whistle Blower Policy</u></p> <p>2. Prevention of Sexual Harassment</p> <p>3. Policy for Diversity and Equal Opportunity</p> <p>4. Policy on Health and Safety</p> <p>5. Supplier Code of Conduct</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the employees of the Company.</p>	<p>1. <u>Policy on Corporate Social Responsibility</u></p> <p>2. Policy on Prevention of Sexual Harassment</p> <p>3. <u>Whistle Blower Policy</u></p> <p>4. <u>Code of Conduct for BoD</u></p> <p>5. <u>Code of Conduct</u></p> <p>6. Policy on Ethical Code for Employment</p> <p>7. Supplier Code of Conduct</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the same is available to all the employees of the Company</p>

Disclosure Questions	P5	P6	P7	P8	P9
<b>Policy &amp; Management Processes</b>					
1.a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<p>1. Policy on Health and Safety</p> <p>2. Policy for Diversity and Equal Opportunity</p> <p>3. Policy for Prohibition of Forced Child Labour</p> <p>4. Policy for Prevention of Sexual Harassment</p> <p>5. Supplier Code of Conduct</p> <p>6. Group Environmental Policy</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the same is available to all the employees of the Company.</p>	<p>1. Guideline for Business Conduct</p> <p>2. Policy on Health and Safety</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the same is available to all the employees of the Company.</p>	<p>1. Guideline for Business Conduct</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the same is available to all the employees of the Company.</p>	<p>1. Policy on Corporate Social Responsibility</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the same is available to all the employees of the Company.</p>	<p>1. Information Security Policy</p> <p>2. Privacy Policy</p> <p>3. Guideline for Business Conduct</p> <p>4. Supplier Code of Conduct</p> <p>The policies dealing with external stakeholders are available on the website at <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a></p> <p>The policies dealing with internal stakeholders are available in a common folder and access of the same is available to all the employees of the Company.</p>

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy &amp; Management Processes</b>									
2 Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3 Do the enlisted policies extend to your value chain partners? (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4 Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	SSAE 18/ ISAE 3402	No	No	ISO 9001: 2015	No	No	No	No	PCI DSS,ISO 27001:2013

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy &amp; Management Processes</b>									
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	Conducting Fire and Emergency Preparedness Training	Planning and budgeting CAPEX items for facility maintenance and advancements as required	Practicing occupational Health and Safety environment	No	No	Measuring and Monitoring Power and Fuel consumption	No	No	No
6 Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	Once in a year this training is conducted for all Employees and Third-party staff members	Ensuring implementation on Approved CAPEX Budget as per need on yearly basis	Ensuring clean and hygienic workplaces with user friendly and sustainable features and facilities	Not Available	Not Available	Initiating activities that will reduce Carbon Footprint	Not Available	Not Available	Not Available

<b>Disclosure Questions</b>		
<b>Governance, Leadership and Oversight</b>		
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>Expleo Solutions Limited (ESL) is committed to being a sustainable and socially responsible business. For Financial Year 2022-23, we have embarked on the journey of disclosing our sustainability performance through the BRSR.</p> <p>As part of our ongoing aspiration to be a well-governed organisation; going forward our focus is on integrating the key learnings from this year's reporting exercise and define specific ESG targets, adopt and implement robust ESG structures and systems, and align with industry best practices. This would involve aligning our current ESG and Sustainability policies and targets with the Expleo Group Environmental Policy and its targets.</p> <p style="text-align: right;">- Mr. Balaji Viswanathan, Managing Director &amp; CEO</p>
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	Mr. Balaji Viswanathan, Managing Director & CEO DIN: 06771242
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details	Yes. Mr. Balaji Viswanathan, Managing Director & CEO is responsible for decision making on sustainability related issues.

<b>Disclosure Questions</b>																		
10.	Details of Review of NGRBCs by the Company																	
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Mr. Balaji Viswanathan, Managing Director & CEO									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Mr. Balaji Viswanathan, Managing Director & CEO									Annually								

11.	Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes / No).  If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		While, the Company has not carried out an independent audit of the policies, the policies are periodically reviewed by the Auditors of respective functions like ISO Auditors, Internal Auditors and Secretarial Auditors, etc. In addition, Expleo is certified for ISO 9001, ISO 27001, SSAE 18 /ISAE 3402, PCI DSS, assessment done by external audit agency. They assess the policies and procedures maintained by the organization, as part of the certification process. The Information security policy, privacy policy and Risk management policy have been reviewed as part of this process. Expleo has documented policies which have been reviewed and approved by Management.								

12.	<b>If answer to question (1.) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:</b>									
<b>Questions</b>		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
The entity does not consider the Principles material to its business (Yes/ No)		Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)										
The entity does not have the financial or/human and technical resources available for the task (Yes/No)										
It is planned to be done in the next financial year (Yes/No)										
Any other reason (please specify)										

### Section C: Principle Wise Performance Disclosure

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**

Essential Indicators			
1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:			
Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%-age of persons in respective category covered by the awareness programmes
Board of Directors	4	Ethics, Anti- Corruption, Leadership Skill - Principle 1, 3, 5	100%
Key Managerial Personnel	4	Ethics and Code of Conduct, POSH, Skill development, Information security, Fire drills - Principle 1, 3, 4, 9	100%
Employees other than BoD and KMPs	912		100%
Workers	-		-

Essential Indicators					
2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):					
Monetary					
	NGRBC Principle	Name of regulatory/ enforcement agencies/judicial institutions	Amount (in Rs.)	Brief of Case	Has an appeal been preferred (Yes/No)
Penalty / Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	P1	Registrar of Companies, Karnataka	12,40,000	Non-appointment of Company Secretary in Expleo Technologies India Private Limited from 1 <sup>st</sup> November, 2020 to 16 <sup>th</sup> March, 2021	No



<b>Non-Monetary</b>					
	<b>NGRBC Principle</b>	<b>Name of regulatory/ enforcement agencies/judicial institutions</b>	<b>Amount (in Rs.)</b>	<b>Brief of Case</b>	<b>Has an appeal been preferred (Yes/No)</b>
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

**Essential Indicators**

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed**

<b>Case Details</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>
-	-

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy**

Yes, it's covered under Business Conduct Guideline (BCG) available internally. The policy states that all Expleo employees must understand and comply with all applicable anti-bribery and anti-corruption laws in the countries where the employees are deployed.

Anti-bribery policy is an internal policy maintained by the company.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	<b>FY 22-23 (Current Financial Year)</b>	<b>FY 21-22 (Previous Financial Year)</b>
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	-	-

**Essential Indicators**

**6. Details of complaints with regard to conflict of interest:**

	<b>FY 22-23 (Current Financial Year)</b>		<b>FY 21-22 (Previous Financial Year)</b>	
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the current financial year.	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the current financial year.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:**

Not Applicable

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

<b>Essential Indicators</b>			
<b>1. Percentage of R&amp;D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&amp;D and capex investments made by the entity, respectively</b>			
	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>	<b>Details of improvements in environmental and social impacts</b>
R&D	Not Applicable	Not Applicable	Not Applicable
CAPEX	0.30%	0.36%	In FY 2021-22 and FY 2022-23, capital expenditure was made towards energy efficient appliances such as lights and ACs to lower environmental impact. It also included expenses towards health and well being of employees through fire resistant and ergonomical equipment's .
<b>2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)</b>			
Yes			
<b>2.b. If yes, what percentage of inputs were sourced sustainably?</b>			
The Company has put in place a supplier code of conduct which is applicable to all its vendors and suppliers. The policy requires suppliers to adhere to ethical, social and environmental standards set by Expleo, percentage of inputs sourcing not available.			
<b>3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste</b>			
Since we are a service-based business, this is not applicable.			
<b>4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same</b>			
Since we are a service-based business, this is not applicable.			

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

Essential Indicators											
1.a. Details of measures for the well-being of employees:											
% of Employees Covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	2675	2675	100%	2675	100%	-	-	2675	100%	0	0%
Female	1314	1314	100%	1314	100%	1314	100%	-	-	0	0%
Total	3989	3989	100%	3989	100%	1314	33%	2675	67%	0	0%
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	219	22	10%	203	93%	-	-	0	0%	0	0%
Female	105	11	10%	98	93%	0	0%	-	-	0	0%
Total	324	33	10%	301	93%	0	0%	0	0%	0	0%

Essential Indicators											
1.b. Details of measures for the well-being of workers:											
% of Workers Covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>PERMANENT WORKERS</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
<b>OTHER THAN PERMANENT WORKERS</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

<b>Essential Indicators</b>						
<b>2. Details of retirement benefits, for Current FY and Previous Financial Year:</b>						
<b>Benefits</b>	<b>FY 22-23 (Current Financial Year)</b>			<b>FY 21-22 (Previous Financial Year)</b>		
	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>
PF	100%	Not Applicable	Yes	96%	Not Applicable	Yes
Gratuity	100%	Not Applicable	Yes	97%	Not Applicable	Yes
ESI	0.03%	Not Applicable	Yes	22%	Not Applicable	Yes
Others – please specify	-	-	-	-	-	-

**3. Accessibility of Workplaces – Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:**

Our facilities are equipped with accessible restrooms, wheelchair ramps etc. to ensure access for the differently abled.

<b>Essential Indicators</b>				
<b>4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:</b>				
Yes, Expleo believes that diversity in the workplace creates an environment conducive to engagement, alignment, innovation, and high performance. This is achieved by a policy that ensures diversity and non-discrimination across the Company, which is available internally for employees.				
<b>5. Return to work and Retention rates of permanent employees and workers that took parental leave:</b>				
<b>Gender</b>	<b>Permanent Employees</b>		<b>Permanent Workers</b>	
	<b>Return to Work Rate</b>	<b>Retention Rate</b>	<b>Return to Work Rate</b>	<b>Retention Rate</b>
Male	100%	72%	0%	0%
Female	95%	77%	0%	0%
Total	97%	74%	0%	0%

\*Subsidiaries not included in the above calculation due to data unavailability

<b>6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:</b>	
	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes, the grievance must be raised in the form of a letter / mail to an appropriate manager who is not the subject of the grievance and/or to the following grievance mail address: <ul style="list-style-type: none"> <li>• General Grievances – <a href="mailto:BFSI.HR@expleogroup.com">BFSI.HR@expleogroup.com</a>, <a href="mailto:Expleo-IndiaGrievanceCommittee@expleogroup.com">Expleo-IndiaGrievanceCommittee@expleogroup.com</a></li> <li>• Prevention of Sexual Harassment at workplace (POSH) reporting of complaints – <a href="mailto:POSH-India@expleogroup.com">POSH-India@expleogroup.com</a></li> <li>• Whistle Blower / Confidentiality ID Complaints - <a href="mailto:audit.committee@expleogroup.com">audit.committee@expleogroup.com</a>, <a href="mailto:ConfidentiallySpeaking@expleogroup.com">ConfidentiallySpeaking@expleogroup.com</a></li> </ul>
Other than Permanent Employees	

<b>Essential Indicators</b>						
<b>7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:</b>						
Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	Not Applicable					
Female	Not Applicable					
Total Permanent Workers						
Male	Not Applicable					
Female	Not Applicable					

<b>Essential Indicators</b>										
<b>8. Details of training given to employees and workers:</b>										
Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Male	2894	841	29%	2272	79%	1191	0	0%	1006	84%
Female	1419	357	25%	1114	79%	689	0	0%	595	86%
Total	4313	1198	28%	3386	79%	1880	0	0%	1601	85%
<b>WORKERS</b>										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	0	0	0%	0	0%	0	0	0%	0	0%
There were no training conducted in the subsidiaries on health and safety. For FY 2021-22 due to covid no trainings on health and safety were conducted.										

<b>Essential Indicators</b>						
<b>9. Details of performance and career development reviews of employees and worker:</b>						
Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>EMPLOYEES</b>						
Male	2675	2000	75%	1191	468	39%
Female	1314	1085	83%	689	289	42%
Total	3989	3085	77%	1880	757	40%
Note: The ESL conducts employee performance review for period ending November, 2022, whereas the employee headcount reported in BRSR is for financial year end (31st March, 2023).						
<b>WORKERS</b>						
Male	0	0	0%	0	0	0%
Female	0	0	0%	0	0	0%
Total	0	0	0%	0	0	0%

<b>Essential Indicators</b>	
<b>10. Health and safety management system:</b>	
a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	
Yes, The company ensures access to hygienic sanitation facilities for men, women and differently-abled employees. In addition, we also provide emergency access to dormitory, first aid and ambulance services. The workplace is equipped with ergonomic seating arrangements as well as adequate light and air. We also provide conduct regular fire and emergency drills to create awareness amongst employees.	
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	
Data Not Available	
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	
Not Applicable	
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	
Yes, Employees have been provided with medical insurance benefits.	

<b>Essential Indicators</b>			
<b>11. Details of safety related incidents, in the following format:</b>			
<b>Safety Incident / Injury</b>	<b>Category</b>	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	0	0
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	0	0
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	Not Applicable	Not Applicable
<b>12. Describe the measures taken by the entity to ensure a safe and healthy workplace:</b>			
Yes, The company ensures access to hygienic sanitation facilities for men, women and differently-abled employees. In addition, we also provide emergency access to dormitory, first aid and ambulance services. The workplace is equipped with ergonomic seating arrangements as well as adequate light and air. We also provide conduct regular fire and emergency drills to create awareness amongst employees.			

<b>Essential Indicators</b>						
<b>13. Number of Complaints on the following made by employees and workers:</b>						
	<b>FY 2022-23 (Current Financial Year)</b>			<b>FY 2021-22 (Previous Financial Year)</b>		
	<b>Filed during the year</b>	<b>Pending resolution at the end of the year</b>	<b>Remarks</b>	<b>Filed during the year</b>	<b>Pending resolution at the end of the year</b>	<b>Remarks</b>
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-
<b>14. Assessments for the year:</b>						
	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)					
Health & Safety Practices	0%					
Working Conditions	0%					
<b>15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health &amp; safety practices and working conditions:</b>						
Not Applicable						

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

<b>Essential Indicators</b>
<b>1. Describe the processes for identifying key stakeholder groups of the entity:</b>
<p>Investors are key stakeholders for the entity. We engage with them on a regular basis and ensure timely communication of important information as well as compliance with required laws. Meeting customer needs is the cornerstone of our business model. We ensure regular client connects, quality services and protection of client information to deliver customer satisfaction. Our efforts are supported by a diverse and skilled employee base. We undertake several employee engagement, well-being and career development activities to provide our employees with the best opportunities to grow and flourish their careers. At Expleo, CSR is at the heart of the strategy and is driven from at the highest level of the company. We put our technological expertise at the service of our customers and society, creating innovative solutions for a greener, safer, and better tomorrow. We are committed to the highest ethical standards in performing business, in every location we operate. We consider that the service we provide is not just the result of our work, but also of how we achieve it. Regulators are key stakeholders across all geographies that we operate in.</p>



**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Websites, Client connects, Marketing connects, CSAT	Ongoing	To meet the expectations of the customers so that they are satisfied with the service outcome. Customer satisfaction level is tracked through CSAT survey
Employees	Yes	HR connect initiatives, townhalls, mass mailers, employee satisfaction surveys	Ongoing	The objective is to have a transparent communication. To make aware of the mission, and values of Expleo. Keep the employees updated on progress of the business. Employee satisfaction level is being monitored through GPTW survey. Policies provide guidance, consistency, accountability, efficiency, and clarity on how Expleo operates.
Vendors	No	Mails, Meetings & Phone Calls	Ongoing	To perform services and supply of material to Expleo based on the agreed contract & commercial. Supplier evaluation is done annually to know the concerns on the services provided.

Shareholders	No	Annual general meetings, Investor calls, Email, Newspaper Advertisement, Website	Ongoing	Uploading of Regulatory Compliances as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Communities	Yes	Meeting with NGOs, Site visits	Ongoing	To implement CSR initiatives across key areas of Education and Environmental sustainability
Regulators	No	Compliance with required laws, participate in industry bodies and associations	Ongoing	To comply with required regulations at each location, to participate in policy advocacy for the benefit of the industry

**PRINCIPLE 5: Businesses should respect and promote human rights**

Essential Indicators						
1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:						
Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>EMPLOYEES</b>						
Permanent	3989	3989	100%	1880	1770	94%
Other than Permanent	324	316	98%	307	305	99%
Total Employees	4313	4305	100%	2187	2075	95%
<b>WORKERS</b>						
Permanent	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-
Total Workers	-	-	-	-	-	-

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Permanent										
Male	2675	0	0%	2675	100%	1191	43	3.61%	1148	96%
Female	1314	0	0%	1314	100%	689	22	3.19%	667	97%
Other than Permanent										
Male	219	0	0%	219	100%	196	169	86.2%	27	14%
Female	105	0	0%	105	100%	111	107	96.4%	4	4%
<b>WORKERS</b>										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent employees include Retainership or Consulting assignments and for fixed term period.										

**3. Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median Remuneration / Salary / Wages of respective category	Number	Median Remuneration / Salary / Wages of respective category
Board of Directors (BoD)	8	2,34,61,771	1	0
Key Managerial Personnel	3	87,47,009	0	0
Employees other than BoD and KMP	2682	8,70,917	1320	7,50,241
Workers	0	0	0	0

Number of BoDs and KMPs are considered of Expleo Solutions Limited and Employees other than BoD and KMP are inclusive of Pune, Bengaluru and Subsidiaries.

\*The median remuneration estimate for employees other than BoD and KMP based on remuneration data available across the cohort.

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. Mr. Balaji Viswanathan, Managing Director & CEO

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Yes, the grievance must be raised in the form of a letter / mail to an appropriate manager who is not the subject of the grievance and/or to the following grievance mail address [BFSI.HR@expleogroup.com](mailto:BFSI.HR@expleogroup.com), [Expleo-IndiaGrievanceCommittee@expleogroup.com](mailto:Expleo-IndiaGrievanceCommittee@expleogroup.com)

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	2	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	Not Applicable	0	-	Not Applicable	0	-
Forced Labour/ Involuntary Labour	Not Applicable	0	-	Not Applicable	0	-
Wages	Not Applicable	0	-	Not Applicable	0	-
Other human rights related issues	Not Applicable	0	-	Not Applicable	0	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The prevention of sexual harassment policy contains a clause prohibiting retaliation against employees bringing bona fide complaints or providing information about harassment.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Human rights requirements forms part of Expleo's business conduct guidelines. The vendor agreements includes a clause that all vendor personnel shall adhere to the policies and procedures of Expleo.

<b>9. Assessments for the year:</b>	
	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Sexual Harassment	0%
Discrimination at workplace	0%
Wages	0%
Other human rights related issues	0%
<b>10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.</b>	
Not Applicable	

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

<b>Essential Indicators</b>		
<b>1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:</b>		
<b>Parameter</b>	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>
Total electricity consumption (in MJ) (A)	7470567.97	1660497.52
Total fuel consumption (in MJ) (B)	813826.93	150793.30
Energy consumption through other sources (in MJ) (C)	1675857.60	1793329.20
Total energy consumption (in MJ) (A+B+C)	9960252.50	3604620.01
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0011	0.0009*
Energy intensity (optional) – the relevant metric may be selected by the entity	--	--
*It is based on standalone financial statement of ESL as subsidiaries are not included.		
Note: Does not include overseas branches viz. Malaysia, Philippines, Belgium and Israel and the subsidiaries as this is currently not tracked/available		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency		
No		

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.00	0.00
(ii) Groundwater	2742.00	1117.00
(iii) Third party water	9738.18	1413.43
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	12480.18	2530.43
Total volume of water consumption (in kilolitres)	12480.18	2530.43
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000138	0.00000063*
Water intensity (optional) – the relevant metric may be selected by the entity	--	--

\*It is based on standalone financial statement of ESL as subsidiaries are not included.

Note: Does not include overseas branches viz. Malaysia, Philippines, Belgium and Israel and the subsidiaries as this is currently not tracked/available

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No. Water treatment plant is available at Prince office location and Coimbatore location, but it is maintained/ operated by the associated builders.

<b>5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:</b>			
<b>Parameter</b>	<b>Please Specify Unit</b>	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>
NOx	Tonne	0.6384	0.1864
SOx	Tonne	0.0413	0.0115
Particulate matter (PM)	Tonne	0.0456	0.0140
Persistent organic pollutants (POP)	Tonne	NA	NA
Volatile organic compounds (VOC)	Tonne	0.0100	0.0028
Hazardous air pollutants (HAP)	Tonne	NA	NA
Others – please specify	Tonne	NA	NA
Note: Does not include overseas branches viz. Malaysia, Philippines, Belgium and Israel and the subsidiaries as this is currently not tracked/available			
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency			
No			

<b>6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity, in the following format:</b>			
<b>Parameter</b>	<b>Unit</b>	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 equivalent	162.76	56.52
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 equivalent	2147.89	730.33
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric Tonnes per INR	0.00000026	0.00000019*
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	--	--	--
*It is based on standalone financial statement of ESL as subsidiaries are not included.			
Note: Does not include overseas branches viz. Malaysia, Philippines, Belgium and Israel and the subsidiaries as this is currently not tracked/available			
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency			
No			
<b>7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.</b>			
No			

<b>8. Provide details related to waste management by the entity, in the following format:</b>		
<b>Parameter</b>	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Not available	Not available
E-waste (B)	12.15	0.96
Bio-medical waste (C)	Not applicable	Not applicable
Construction and demolition waste (D)	Not applicable	Not applicable
Battery waste (E)	0.18	0.70
Radioactive waste (F)	Not applicable	Not applicable
Other Hazardous waste. Please specify, if any. (G)	Not applicable	Not applicable
Other Non-hazardous waste generated (H)		
Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	7.19	4.57
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>19.52</b>	<b>6.23</b>
Note: Does not include overseas branches viz. Malaysia, Philippines, Belgium and Israel and the subsidiaries as this is currently not tracked/available		
<b>Parameter</b>	<b>FY 2022-23 (Current Financial Year)</b>	<b>FY 2021-22 (Previous Financial Year)</b>
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	8.25	N.A.
(ii) Re-used	N.A.	N.A.
(iii) Other recovery operations	N.A.	N.A.
<b>Total</b>	<b>8.25</b>	<b>N.A.</b>
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	N.A.	N.A.
(ii) Landfilling	11.27	4.57
(iii) Other disposal operations	N.A.	1.66
Note: Does not include overseas branches viz. Malaysia, Philippines, Belgium and Israel and the subsidiaries as this is currently not tracked/available		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		
No		
<b>9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.</b>		
N.A.		



**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
N.A.	N.A.	N.A.	N.A.
--	--	--	--

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
--	--	--	--	--	--

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil	Nil	Nil	Nil	Nil
--	--	--	--	--

Note: Does not include overseas branches viz. Malaysia, Philippines, Belgium and Israel and the subsidiaries as this is currently not tracked/available

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

Essential Indicators		
<b>1.a. Number of affiliations with trade and industry chambers/ associations.</b>		
Expleo Solutions Limited is a member of the NASSCOM association, and our Managing Director and CEO, Mr. Balaji Viswanathan, representing the organization in the India Leadership Council driven by the Economic Times Group.		
1.b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.		
SR No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State/National)
1	NASSCOM	National

**2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of Authority	Brief of the Case	Corrective Action Taken
-	-	-

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name & Brief Details of Project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
---------------------------------	----------------------	----------------------	---	--	-------------------

No such project requiring SIA has been undertaken in the current or previous reporting year.

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

SR. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
---------	--	-------	----------	---	--------------------------	---

Not Applicable

**3. Describe the mechanisms to receive and redress grievances of the community.**

Nil

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	85%	Not applicable
Sourced directly from within the district and neighboring districts	14%	Not applicable

\*This data considers sourcing IT equipment's purchased for Bengaluru in FY '23.

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

1. Whenever there is a customer complaint, the delivery and the sales manager jointly addresses the same and provides remedial steps to ensure the same is addressed. Also, the Customer complaints and feedback at project and account level including escalations are recorded, presented and discussed in the MMM meetings and tracked to closure.

2. CSAT at Group level and entity level is also done to capture customer feedback and the same is addressed via a detailed plan and tracked at the Management level.

**2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	No	0	-	No	0	-
Advertising	No	0	-	No	0	-
Cyber-security	No	0	-	No	0	-
Delivery of essential services	No	0	-	No	0	-
Restrictive Trade Practices	No	0	-	No	0	-
Unfair Trade Practices	No	0	-	No	0	-
Other	13	0	-	15	0	-

**4. Details of instances of product recalls on account of safety issues:**

SR No.	Number	Reasons for Recall
Voluntary Recalls	Not Applicable	Not Applicable
Forced Recalls	Not Applicable	Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes. See Expleo web page <https://expleo.com/global/en/data-protection/>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There were no security occurrences /re- occurrences relating to advertising, delivery of essential services, cyber security and data privacy of customers which led to penalty / action taken by regulatory authorities on safety of products / services.

## INDEPENDENT AUDITOR'S REPORT

To the Members of Expleo Solutions Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of **Expleo Solutions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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 the Companies (Indian Accounting Standard) Rules, 2015, as amended, (Ind AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit, total 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 44 to the Standalone Financial Statements of the Company in respect of the accounting of the Scheme of Amalgamation involving, Expleo India Infosystems Private Limited (EI IPL) (Transferor Company 1), Expleo Technologies India Private Limited (Transferor Company 2), Expleo Engineering India Private Limited (Transferor Company 3), and Silver Software Development Centre Private Limited (Transferor Company 4), all entities under common control, with the Company from the Appointed Date of April 1, 2022, as approved by the respective transferor companies' National Company Law Tribunals and by the National Company Law Tribunal of Chennai vide its Order pronounced on February 15, 2023. The certified copies of the Orders of the respective NCLTs sanctioning the Scheme with the Registrar of Companies (ROC) of the Transferor Companies has been filed on March 17, 2023 and March 31, 2023 respectively, and with ROC Chennai on April 1, 2023. The Scheme has hence come into operation from April 1, 2023, which shall be deemed to be the Effective Date, with the Appointed Date of April 1, 2022.

The accounting treatment of the Scheme has been given effect to as per the requirements of Appendix C of Ind AS 103 - Business Combinations, with effect from April 1, 2021, which is the beginning of the preceding period presented. Accordingly, the figures for the year ended March 31, 2022 have been restated to give effect of the aforesaid Scheme. The aforesaid Note 44 also describes in detail the impact of the business combination on the Standalone Financial Statements of the Company.

Our opinion is not modified in respect of this matter.

**Key Audit Matter**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

	<b>Key Audit Matter Description</b>	<b>Our Response</b>
<b>1.</b>	<b>Revenue Recognition – Accuracy of recognition of revenue for fixed-price contracts on percentage of completion method involving critical estimates.</b>	
	<p>The Company derives revenue from software services which involve primarily delivering software validation and verification services to the banking, financial services and insurance industry and software development and engineering services worldwide. Arrangements with customers include fixed- price contracts, revenue whereof is recognised on proportionate completion method on the basis of the work completed.</p> <p>The use of proportionate completion method requires the Company to estimate the efforts or costs expended to date as a proportion to total efforts or costs to be expended.</p> <p>These estimates of efforts or costs to be expended has a high inherent uncertainty which is based on the judgements made by the Management in ascertaining the costs and the efforts required to complete the remaining contractual performance obligations. In view of the same, there is a risk of revenue for the year being misstated due to incorrect recognition of accrued or deferred revenue as a result of using overstated / understated estimates of the costs and efforts to complete the remaining contractual performance obligations.</p> <p>(Refer Note 2(b)(i) and Note 2(c) to the Standalone Financial Statements)</p>	<p>Our principal procedures included:</p> <p>Assessment of the appropriateness of the Company's revenue recognition policy for fixed-price contracts to ensure that it meets the recognition and measurement principles enumerated in Ind AS 115 including disclosures in the financial statements.</p> <p>Obtained an understanding of the process and related controls for appropriate recognition of revenue. Evaluating the design and implementation and testing the operating effectiveness of such controls over the revenue recognition and measurement criteria.</p> <p>Tested fixed price contracts to assess whether the revenues recognised to date were appropriate; this work included reviewing stage of completion by reference to post year end data and understanding budget versus actual variances where applicable and the impact on revenue to be recognised by reference to the stage of completion.</p> <p>We performed cut-off testing for a sample of revenue transactions around the period end date, to check that they were recognised in the appropriate period.</p> <p>Assessing the adequacy of the Company's disclosures about the degree of estimation involved in revenue recognition.</p>

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, namely the Chairman's Overview, the Performance Highlights – Decade at a glance (on a consolidated basis), the Director's Report including annexures to the Director's Report, the Business Responsibility and Sustainability Report, the Management Discussion and Analysis and the Corporate Governance Report, etc., but does not include the Consolidated Financial Statements, the Standalone Financial Statements and our auditor's reports thereon. The Directors' Report and the Business Responsibility and Sustainability Report is expected to be made available to us after the date of this auditor's report. Our opinion of 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 identified above, 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. We have nothing to report in this regard, other than Directors' Report and the Business Responsibility and Sustainability Report.

When we read the Directors' Report and the Business Responsibility and Sustainability Report forming part of the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and review the steps taken by the Management to communicate with those in receipt of the other information, if previously issued, to inform them of the revision.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 Ind AS 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements 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, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

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

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that we have been represented by the Company that the Company is in process of complying with the requirement of maintaining server(s) physically located in India for back-up of books of account on a daily basis as required pursuant to amendment in Companies (Accounts) Rules, 2014 on August 5, 2022.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.
- (e) On the basis of the written representations received from the Directors of the Company as on March 31, 2023 taken on record by the Board of Directors, none of the directors of the Company are disqualified as on March 31, 2023, from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.
- (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 38 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented to us 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 Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented to us that, to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.



- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For KALYANIWALLA & MISTRY LLP**

**CHARTERED ACCOUNTANTS**

**Firm Registration Number 104607W/W100166**

**FARHAD M. BHESANIA**

**PARTNER**

**Membership Number 127355**

**UDIN: 23127355BGWIFU3402**

**Place :** Chennai

**Date :** May 25, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2023.

### Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the Company conducts physical verification of property, plant and equipment and right of use assets annually. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The Company has not conducted any physical verification for one of its branches during the year. No material discrepancies were noticed on the verification of assets covered.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company being the registered sale deed and property tax receipts, we report that 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) disclosed in the Financial Statements are held in the name of the Company.
- (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii. (a) The Company is in the business of rendering software testing service and does not have any inventory other than work in progress relating to and hence the provisions of sub-clause (ii) (a) of Paragraph 3 of the Order are not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Hence, the provisions of sub-clause (ii) (b) of Paragraph 3 of the Order are not applicable to the Company.
- iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence, provisions of Paragraph 3(iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, provisions of Section 186 of the Act in respect of investments made have been complied with by the Company. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to the persons covered under Section 185 and Section 186 of the Act or given guarantees or granted securities under Section 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits and hence the provisions of Paragraph 3(v) of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, the maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Companies (Cost Records and Audit) Rules, 2014.

- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, and any other statutory dues with the appropriate authorities, wherever applicable and there are no undisputed dues which have remained outstanding as at March 31, 2023, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us there are no dues outstanding of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess on account of any dispute other than the following:

<b>Sr. No.</b>	<b>Name of the statute</b>	<b>Amount (Rs. in million)</b>	<b>Financial Year (F.Y.) to which the amount relates</b>	<b>Forum where Dispute is Pending</b>
1.	Income Tax Act, 1961	47.04	2009-10	Commissioner of Income Tax (Appeals)
2.	Income Tax Act, 1961	5.04	2011-12	Commissioner of Income Tax (Appeals)
3.	Income Tax Act, 1961	1.57	2012-13	Commissioner of Income Tax (Appeals)
4.	Income Tax Act, 1961	4.04	2013-14	Deputy Commissioner Income Tax
5.	Income Tax Act, 1961	9.67	2014-15	Commissioner of Income Tax (Appeals)
6.	Income Tax Act, 1961	1.70	2015-16	Commissioner of Income Tax (Appeals)
7.	Income Tax Act, 1961	2.95	2016-17	Commissioner of Income Tax (Appeals)
8.	Income Tax Act, 1961	1.35	2017-18	Commissioner of Income Tax (Appeals)
9.	The Finance Act, 1994	633.58	2011-12 to 2015-16	The Customs Excise and Service Tax Appellate Tribunal (CESTAT)
10.	The Finance Act, 1994	118.50	April 2016 to June 2017	The Customs Excise and Service Tax Appellate Tribunal (CESTAT)
11.	Income Tax Act, 1961	55.51	2017-18	Deputy Commissioner Income Tax and Commissioner of Income Tax (Appeals)
12.	Income Tax Act, 1961	41.48	2019-20	Deputy Commissioner Income Tax and Commissioner of Income Tax (Appeals)
13.	The Finance Act, 1994	35.75	2014-15 to 2017-18	Additional Commissionerate
14.	The Finance Act, 1994	7.26	2015-16	Principal Commissioner of Pune, CGST II

Sr. No.	Name of the statute	Amount (Rs. in million)	Financial Year (F.Y.) to which the amount relates	Forum where Dispute is Pending
15.	Maharashtra Value Added Tax Act, 2002	0.25	2015-16	Deputy Commissioner
16.	Maharashtra Value Added Tax Act, 2002	0.02	2016-17	Deputy Commissioner
17.	Maharashtra Value Added Tax Act, 2002	0.01	2017-18	Deputy Commissioner
18.	Income Tax Act, 1961	19.10	2009-10	Commissioner of Income Tax (Appeals)
19.	Income Tax Act, 1961	0.26	2016-17	Commissioner of Income Tax (Appeals)
20.	Income Tax Act, 1961	8.52	2016-17	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us and the records examined by us and based on the documents and records produced to us, we have not come across any transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. The Company has not taken any loans or other borrowings from any lender during the year. Hence, the provisions of Paragraph 3(ix) (a) to (f) of the Order are not applicable to the Company.
- x. (a) According to the information and explanations given to us, the Company has neither raised money through initial public offer or further public offer (including debt instruments). Hence, the provisions of Paragraph 3(x)(a) of the Order are not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Hence, the provisions of Paragraph 3(x)(b) of the Order are not applicable.
- xi. (a) To the best of our knowledge, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence, the provisions of Paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the Directors or persons connected with him and hence the question of commenting on compliance with provisions of Section 192 does not arise.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, the provisions of Paragraph 3(xvi)(a) and (b) of the Order are not applicable.  
(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the provisions of Paragraph 3(xvi) (c) of the Order are not applicable.  
(c) The Group does not have any CIC. Hence, the provisions of Paragraph 3(xvi) (d) of the Order are not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the Statutory Auditor during the year. Hence, reporting under Paragraph 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone 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. According to the information and explanation provided to us and based on our examination of the records of the Company, the Company has fully spent the required amount toward Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provisions of sub-section(6) of Section 135 of the Act. Hence, the provisions of Paragraph 3(xx)(a) and (b) of the Order are not applicable.

**For KALYANIWALLA & MISTRY LLP**

**CHARTERED ACCOUNTANTS**

**Firm Registration Number 104607W/W100166**

**FARHAD M. BHESANIA**

**PARTNER**

**Membership Number 127355**

**UDIN: 23127355BGWIFU3402**

**Place :** Chennai

**Date :** May 25, 2023

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2023.

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls with reference to Standalone Financial Statements of **Expleo Solutions Limited** ("the Company") as of March 31, 2023, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone 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

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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone 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.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the ICAI.

**For KALYANIWALLA & MISTRY LLP****CHARTERED ACCOUNTANTS****Firm Registration Number 104607W/W100166****FARHAD M. BHESANIA****PARTNER****Membership Number 127355****UDIN: 23127355BGWIFU3402****Place :** Chennai**Date :** May 25, 2023

## Standalone Balance Sheet as at March 31, 2023

Particulars	Note No.	Rs. In Millions	
		As at March 31, 2023	As at March 31, 2022 (Restated) (Refer Note 44)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	1,152.56	1,057.84
Intangible Assets	3	248.86	25.24
Capital work-in-progress	4	60.62	60.62
<b>Financial Assets</b>			
(i) Investments in Subsidiaries	5	40.15	40.15
(ii) Other Non-Current Financial Assets	6	40.39	27.31
Deferred Tax Assets	7	-	38.09
Income Tax Assets (Net)	8	93.56	74.11
Other Non-Current Assets	9	89.13	144.88
<b>Total Non-Current Assets</b>		<b>1,725.27</b>	<b>1,468.24</b>
<b>Current Assets</b>			
Inventories	10	-	22.70
<b>Financial Assets</b>			
(i) Trade Receivables	11	2,207.52	1,770.18
(ii) Cash and Cash Equivalents	12	1,296.11	1,369.67
(iii) Bank Balances other than (ii) above	13	31.79	64.94
(iv) Other Current Financial Assets	14	416.33	176.26
Other Current Assets	15	671.04	538.11
<b>Total Current Assets</b>		<b>4,622.79</b>	<b>3,941.86</b>
<b>TOTAL ASSETS</b>		<b>6,348.06</b>	<b>5,410.10</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	155.20	155.20
Other Equity	17	4,576.63	3,328.29
<b>Total Equity</b>		<b>4,731.83</b>	<b>3,483.49</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	18	3.93	4.57
(ii) Lease liabilities		218.76	105.62
Deferred Tax Liabilities	7	8.35	-
Provisions	19	85.76	131.33
<b>Total Non-Current Liabilities</b>		<b>316.80</b>	<b>241.52</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	20	0.78	0.78
(ii) Lease liabilities		39.11	36.12
(iii) Trade Payables	21		
(A) Total outstanding dues of micro enterprises and small enterprises; and		1.09	4.01
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		429.14	737.63
(iv) Other Current Financial Liabilities	22	567.24	535.00
Other Current Liabilities	23	91.69	246.38
Provisions	24	28.72	38.97
Current Tax Liabilities (Net)	25	141.66	86.20
<b>Total Current Liabilities</b>		<b>1,299.43</b>	<b>1,685.09</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,348.06</b>	<b>5,410.10</b>
<b>Significant Accounting Policies</b>	2		

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our Report of even date.

Signatures to the Standalone Balance Sheet and Notes to Standalone Financial Statements

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 104607W/W100166**

**For and on behalf of the Board**

**FARHAD M. BHESANIA**

**RALPH FRANZ  
GILLESSEN**  
Chairman

**BALAJI VISWANATHAN**  
Managing Director & CEO

**DESIKAN NARAYANAN**  
Chief Financial Officer

**S. SAMPATH KUMAR**  
Company Secretary &  
Compliance Officer

Partner

Membership Number 127355  
Place : Chennai, India  
Date : May 25, 2023

DIN : 05184138  
Place : Cologne, Germany  
Date : May 25, 2023

DIN : 06771242  
Place : Chennai, India  
Date : May 25, 2023

Place : Chennai, India  
Date : May 25, 2023

ICSI Membership No. F3838  
Place : Chennai, India  
Date : May 25, 2023



## Standalone Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note No.	Rs. In Millions	
		For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated) (Refer Note 44)
<b>INCOME</b>			
Revenue from Operations	26	9,032.95	7,425.35
Other Income	27	86.89	47.34
<b>Total Income</b>		<b>9,119.84</b>	<b>7,472.69</b>
<b>EXPENSES</b>			
Employee Benefits Expense	28	4,483.75	3,616.84
Cost of material consumed and other direct costs	29	73.19	81.14
Finance Cost	30	22.56	12.12
Depreciation and Amortisation Expense	3	272.71	187.54
Other Expenses	31	2,532.25	2,522.82
<b>Total Expenses</b>		<b>7,384.46</b>	<b>6,420.46</b>
<b>Profit Before Tax</b>		<b>1,735.38</b>	<b>1,052.23</b>
<b>Tax Expense</b>			
Current Tax	7 (b)	461.63	264.38
Deferred Tax Charge	7 (a)	41.15	151.83
<b>Profit for the Year</b>		<b>1,232.60</b>	<b>636.02</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plan		21.02	(7.24)
Income tax relating to items that will not be reclassified to profit or loss	7 (c)	(5.29)	1.64
<b>Items that will be reclassified to profit or loss</b>			
Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the Year</b>		<b>1,248.33</b>	<b>630.42</b>
<b>Earnings per Equity Share (Face value Rs.10/- per share)</b>			
Basic (Rs.)	32	79.42	40.98
Diluted (Rs.)	32	79.42	40.98
<b>Significant Accounting Policies</b>	2		

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our Report of even date

Signatures to the Standalone Statement of Profit & Loss and Notes to Standalone Financial Statements

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 104607W/W100166**

**For and on behalf of the Board**

**FARHAD M. BHESANIA**

Partner

Membership Number 127355

Place : Chennai, India  
 Date : May 25, 2023

**RALPH FRANZ**

**GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany  
 Date : May 25, 2023

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India  
 Date : May 25, 2023

**DESIKAN NARAYANAN**

Chief Financial Officer

Place : Chennai, India  
 Date : May 25, 2023

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Chennai, India  
 Date : May 25, 2023

## Standalone Statement of Changes in Equity for the year ended March 31, 2023

### (a) Equity Share Capital

Rs. In Millions

Balance as at April 1, 2021 (Restated)	Changes in equity share capital due to Prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022 (Restated) (Refer Note 44)
155.20	-	155.20	-	155.20

Rs. In Millions

Balance as at April 1, 2022 (Restated) (Refer Note 44)	Changes in equity share capital due to Prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
155.20	-	155.20	-	155.20

### (b) Other Equity

Rs. In Millions

Particulars	Reserves and Surplus						Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Employee Stock Compensation Reserve	General Reserve	Retained Earnings	
<b>Balance as at April 1, 2021 (Restated)</b>	4.61	(1206.21)	6.69	1.31	251.82	3,639.67	2,697.89
Profit for the year	-	-	-	-	-	636.02	636.02
Remeasurement of post employment benefit obligation, net of tax (OCI)	-	-	-	-	-	(5.60)	(5.60)
<b>Total Comprehensive Income for the Year</b>	-	-	-	-	-	630.42	630.42
Transfer to General Reserve	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022 (Restated)</b>	4.61	(1206.21)	6.69	1.31	251.82	4,270.08	3,328.29
Profit for the year	-	-	-	-	-	1,232.60	1,232.60
Remeasurement of post employment benefit obligation, net of tax (OCI)	-	-	-	-	-	15.73	15.73
<b>Total Comprehensive Income for the Year</b>	-	-	-	-	-	1,248.33	1,248.33
Transfer to General Reserve	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	4.61	(1206.21)	6.69	1.31	251.82	5,518.41	4,576.63

As per our Report of even date

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 104607W/W100166**

**FARHAD M. BHESANIA**

Partner

Membership Number 127355

Place : Chennai, India

Date : May 25, 2023

Signatures to the Standalone Statement of Changes in Equity and Notes to Standalone Financial Statements

**For and on behalf of the Board**

**RALPH FRANZ  
GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 25, 2023

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 25, 2023

**DESIKAN NARAYANAN**

Chief Financial Officer

Place : Chennai, India

Place : Chennai, India

Date : May 25, 2023

**S. SAMPATH KUMAR**

Company Secretary &  
Compliance Officer

ICSI Membership No. F3838

Place : Chennai, India

Date : May 25, 2023

## Standalone Statement of Cash Flows for the year ended March 31, 2023

Particulars	Rs. In Millions	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated) (Refer Note 44)
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,735.38	1,052.23
Adjustment for:		
Investment knock off pursuant to scheme of Merger	-	(1,336.11)
Depreciation and Amortization Expense	272.71	187.54
(Profit) on sale of Property, Plant and Equipment	(8.47)	(1.07)
Unrealized forex exchange loss/(gain) (Net)	4.65	(5.64)
Interest income	(18.37)	(15.16)
Inventory written off	22.70	-
Finance cost	22.56	11.64
Allowance for credit loss	9.82	0.61
Unwinding of discount on security deposits	(0.92)	(0.80)
<b>Operating profit before working capital changes</b>	<b>2,040.06</b>	<b>(106.76)</b>
Adjustment for:		
(Increase)/Decrease in Trade Receivables	(483.10)	495.38
(Increase) in Inventory	-	(22.70)
(Increase)/Decrease in Non Current Financial Assets	(12.16)	4.66
(Increase)/Decrease in Other Current Financial Assets	(224.76)	95.20
(Increase) in Other Current Assets	(134.06)	(397.53)
Decrease in Other Non-Current Assets	65.64	39.08
(Decrease)/Increase in Trade Payables	(295.26)	346.52
Increase/(Decrease) in Other Current Financial Liabilities	55.09	(4.98)
(Decrease) in Other Current Liabilities	(154.60)	(18.64)
(Decrease)/Increase in Provisions	(55.83)	23.47
<b>Cash generated from operations</b>	<b>801.02</b>	<b>453.70</b>
Direct taxes paid (net of refunds)	(434.58)	(263.75)
<b>Net cash flow from operating activities (A)</b>	<b>366.44</b>	<b>189.95</b>
<b>B. Cash flow from investing activities</b>		
Investment in bank deposits having maturity greater than 3 months	(1,885.93)	(399.52)
Proceeds from maturity of Fixed Deposits	1,919.08	668.07
Payments for purchase of Property, Plant and Equipment (Including Capital work in progress and Intangible Assets)	(424.37)	(255.58)
Proceeds from sale of Property, Plant and Equipment	9.38	3.47
Interest received on deposit with banks	18.37	15.16
<b>Net cash flow (used in)/ from investing activities (B)</b>	<b>(363.47)</b>	<b>31.60</b>
<b>C. Cash flow from financing activities</b>		
Lease liability paid	(51.46)	(94.34)
Interest on Lease liability	(12.34)	(8.15)
Interest on Borrowings paid	(1.27)	(0.48)
Proceeds from Borrowings	-	4.57
Repayment of Borrowings	(0.64)	(5.24)
<b>Net cash flow (used in) financing activities (C)</b>	<b>(65.71)</b>	<b>(103.64)</b>
<b>Net (Decrease)/Increase in cash &amp; cash equivalents (A+B+C)</b>	<b>(62.74)</b>	<b>117.91</b>
Effect of changes in exchange rate on cash and cash equivalents	(10.82)	(7.11)
Cash & cash equivalents at the beginning of the year	1,369.67	1,258.87
<b>Cash and cash equivalents at the end of the year (Refer Note 12)</b>	<b>1,296.11</b>	<b>1,369.67</b>

## Standalone Statement of Cash Flows for the year ended March 31, 2023

- Notes:**
- The above Statement of Cash flows includes Rs.20.11 Millions spent (Previous Year: Rs.18.98 Millions) towards Corporate Social Responsibility (CSR) Activities (Refer Note 41).
  - The above Standalone Statement of Cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 "Statement of Cash Flows".
  - Reconciliation of Liabilities arising from Financing Activities:

Rs. In Millions

	As at April 01, 2022 (Restated)	Changes as per Statement of Cash flows	Non-Cash Changes/ Fair Value Changes	As at March 31, 2023
Long Term Borrowings	4.57	(0.64)	-	3.93
Short Term Borrowings	0.78	-	-	0.78
<b>Total</b>	<b>5.35</b>	<b>(0.64)</b>	<b>-</b>	<b>4.71</b>

Rs. In Millions

	As at April 01, 2021 (Restated)	Changes as per Statement of Cash flows	Non-Cash Changes/ Fair Value Changes	As at March 31, 2022 (Restated)
Long Term Borrowings	-	4.57	-	4.57
Short Term Borrowings	6.02	(5.24)	-	0.78
<b>Total</b>	<b>6.02</b>	<b>(0.67)</b>	<b>-</b>	<b>5.35</b>

- The accompanying notes form an integral part of the Standalone Financial Statements.

As per our Report of even date.

**For KALYANIWALLA & MISTRY LLP**      **For and on behalf of the Board**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 104607W/W100166**

**FARHAD M. BHESANIA**

Partner

Membership Number 127355

Place : Chennai, India

Date : May 25, 2023

**RALPH FRANZ  
GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 25, 2023

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 25, 2023

**DESIKAN NARAYANAN**

Chief Financial Officer

Place : Chennai, India

Date : May 25, 2023

**S. SAMPATH KUMAR**

Company Secretary &  
Compliance Officer

ICSI Membership No. F3838

Place : Chennai, India

Date : May 25, 2023

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note: 1

#### Company Overview:

Expleo Solutions Limited (“Expleo Solutions” or “the Company”), incorporated on June 8, 1998 as a private Limited company was converted into a public Limited company with effect from August 19, 2008. The Company made its Initial Public Offering (IPO) of its Equity Shares on September 24, 2009 (issue open date) and shares under IPO were allotted on October 14, 2009. The Company’s shares were listed on the National Stock Exchange of India Limited and BSE Limited with effect from October 26, 2009.

The Company is a subsidiary of Expleo Technology Germany GmbH.

The Company is an India based software service provider primarily delivering Software Validation and Verification Services, Software Development and Engineering consultancy services related to BFSI, Aerospace, Automotive, Defence and Rail Industry. The Company has invested in four wholly owned subsidiaries in Singapore, USA, UK and UAE for market development and service delivery in the respective regions.

The Financial Statements of the Company for year ended March 31, 2023 were authorized for issue in accordance with a resolution of the Board of Directors on May 25, 2023.

### Note: 2

#### Significant Accounting Policies:

##### a) Basis of preparation of financial statements:

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other applicable provisions of the Act.

##### (i) Basis of presentation of financial statements:

The Standalone Balance Sheet, Standalone Statement of Profit and Loss and the Standalone Statement of Changes in Equity have been prepared and presented in the format prescribed

in the Division II of Schedule III to the Companies Act, 2013. The Standalone Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 ‘Statement of Cash Flows’. The disclosure requirements with respect to items of the Standalone Balance Sheet and the Standalone Statement of Profit and Loss are presented by way of notes forming part of the Standalone Financial Statements.

The Company has considered a period of twelve months as the operating cycle for classification of assets and liabilities as current and non-current.

##### (ii) Basis of Measurement

These Standalone Ind AS Financial Statements have been prepared based on accrual and going concern principles following the historical cost convention except for the following financial assets and liabilities which have been measured at fair value:

- a. Certain financial assets and liabilities measured at fair value
- b. Defined benefit plans - plan assets and share based payments measured at fair value.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

The Standalone Financial Statements include figures pertaining to Head office and Branches/ Places of Business located at Madras Export Processing Zone - Chennai, Belgium, Phillipines, Israel and Malaysia.

##### b) Critical Accounting Estimates:

While preparing these Ind AS compliant Standalone Financial Statements, the management has made certain estimates and assumptions that require subjective & complex judgments. These judgments affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosures of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

events rarely develop exactly as forecasted and the best estimates require adjustments as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively.

Judgments, estimates and assumptions are required for:

### **i) Revenue Recognition:**

#### **Revenue from Contracts with Customers:**

The Company uses percentage of completion method for its fixed-bid contracts. The use of percentage of completion method requires the Company to estimate the efforts or costs expended to date as a proportion to total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

### **ii) Determination of the estimated useful lives and residual values of tangible assets:**

Useful lives of tangible assets are based on the life prescribed in the Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management's technical evaluation taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacements. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which component of the cost of the asset may be capitalised.

The estimation of residual value of the asset is based on the management's judgement about the condition of such asset at the point of sale of asset.

### **iii) Recognition and measurement of defined benefit obligation:**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, attrition rate and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

### **iv) Recognition of deferred tax assets:**

Deferred Tax Assets and Liabilities are recognised for the future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary difference, depreciation carry forwards and unused tax credits could be utilised.

### **v) Leave Encashment:**

The Company has a policy on the compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

### **vi) Income Tax:**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

### **vii) Impairment of Investments:**

The Company reviews its carrying value of investments in subsidiaries at cost annually, or more frequently when there is an indication

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### viii) Expected credit losses on financial assets:

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

### ix) Provisions and Contingent Liabilities:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

### x) Discounting of long term financial assets/ liabilities:

All financial assets/ liabilities are required to be measured at fair value on initial recognition. In case of financial assets/ liabilities which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

### c) Revenue Recognition:

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The significant accounting policies related to revenue recognition are as under:

#### Software service income:

The Company has applied the guidance in Ind AS 115 "Revenue from Contracts with Customers" by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software testing

services as distinct performance obligations. The transaction price as allocated to each distinct performance obligation is defined in the contract with the customer. In case of fixed bid contracts, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses and the entity's performance creates an asset with no alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

- i. The Company derives revenue from software services which involve primarily delivering software validation and verification services to the banking, financial services and insurance industry worldwide. Arrangements with customers are on a fixed-bid or a time -and- material basis.
- ii. Revenue in respect of time -and- material contracts is recognized based on time/ efforts spent and/ or billed to clients as per the terms of specific contracts as there is a direct relationship between input and productivity.
- iii. Revenue from fixed-bid contract, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (which the Company refers to as Unbilled Revenue) while invoicing in excess of revenues are classified as contract liabilities (which the Company refers to as Unearned Revenue).

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

- iv. The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.
- v. Revenue includes reimbursement of expenses, wherever billed, as per the terms of the contracts.
- vi. Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.
- vii. The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.
- viii. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

### d) Interest Income:

Interest Income is recognised using the effective interest rate method.

### e) Dividend Income:

Dividend income is recognized when the right to receive payment is established.

### f) Other Income:

Other Income is recognized when the right to receive is established.

### g) Government Grants:

Grants from the government are recognised when there is reasonable assurance that:

- (i) the Company will comply with the conditions attached to them; and
- (ii) the grant will be received.

### h) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing Costs relating to acquisition of qualifying assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on assets is provided on the straight line method on the basis of useful life which is equal to or lower than the useful life prescribed in Schedule II of the Companies Act, 2013 for all the assets. The useful life is determined on the management's technical evaluation.

Asset description	Useful life (in years)
Building	20 years/60 years
Plant and equipment	3 years/ 15 years
Computer equipment	3 years
Furniture and fittings	3 years
Office Equipment	3 years
Vehicles	4 years
Temporary Partitions	Fully Depreciated
Leasehold Rights and Improvements	Tenure of lease period or 10 years whichever is less
Residual Value is considered to be NIL.	

In the view of the management, property, plant and equipment individually costing Rs.5,000/- or less are depreciated in full in the year of acquisition.



## Notes to the Standalone Financial Statements for the year ended March 31, 2023

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### i) Intangible Assets:

Intangible Assets are stated at costs less accumulated amortization and impairment losses if any. Intangible Assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end. If the estimated useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Gain or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss, when the asset is derecognized.

Amortization rates currently applied are as follows:

Asset description	Useful life (in Years)
Computer Software	3 years
Software tools	5 years
Customer Contracts	4 years
Non-compete Fees	3 years
IP Rights	4 years
Residual value is considered to be NIL.	

In the view of the management, intangible assets individually costing Rs.5,000/- or less have a useful life of one year and are hence fully amortised in the year of acquisition.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

### j) Capital work-in-progress

Projects under which tangible assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable borrowing costs. Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

### k) Inventories

Inventories are valued at lower of cost and net realisable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

### l) Financial Instruments:

#### (i) Initial Recognition:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

### **(ii) Subsequent Measurement:**

#### **a) Non-derivative financial instruments:**

##### **(i) Financial instruments measured at amortized cost:**

A financial instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The computation of amortized cost is done using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

##### **(ii) Financial Assets at fair value through Other Comprehensive Income:**

A financial instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in Other Comprehensive Income.

##### **(iii) Financial Assets at fair value through profit and loss:**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

##### **(iv) Financial Liabilities:**

Financial Liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### **(v) Investments in subsidiaries:**

Investment in subsidiaries is carried at cost in the separate financial statements.

#### **b) Share Capital:**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary equity shares are recognized as a deduction from equity, net of any tax effects.

#### **c) Derivatives:**

Derivatives include foreign currency forward contracts. It is measured at fair value. Fair value of foreign currency forward contracts are determined using the fair value reports provided by the respective banks.

#### **(iii) Derecognition of financial instruments:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial assets and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **(iv) Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### m) Impairment:

#### (i) Financial Assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

#### (ii) Non-financial assets:

#### Intangible assets and property, plant and equipment:

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are required to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### n) Fair value of financial instruments:

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to Note 34 in the Financial Statements for the disclosure on carrying value and fair

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

### o) Provisions and Contingencies:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

#### Onerous Contracts:

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent Liabilities are disclosed in the notes to accounts. A contingent liability is a possible obligation that arises due to past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but their existence is disclosed in the financial statements.

### p) Foreign Currency:

#### Functional Currency:

The functional currency of the Company is the Indian rupee. These Standalone Financial Statements are presented in Indian rupees.

#### Transactions and Translations:

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which transaction is settled. Exchange differences on account of conversion of foreign operations are also recognized as income or as expense in the year in which they arise. Revenue and expense items pertaining to foreign operations denominated in foreign currencies are translated into the relevant functional currencies using the monthly weighted average exchange rate of the respective currencies. The gains or losses resulting from such transactions are included in exchange loss/ gain under the head "Other Expenses" or under the head "Other Income" respectively in the Statement of Profit and Loss.

### q) Earnings per share:

Basic earnings per equity share are computed by dividing the net profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share that could have been issued upon conversion of all dilutive potential equity shares.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### r) Income taxes:

Income tax expense comprises of current and deferred income tax. Income tax expense is recognized in the Statement of Profit and Loss for items recognised in the Statement of Profit and Loss. Income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in Other Comprehensive Income (OCI) or in Equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

#### Current Tax:

Current income tax for current and prior periods (including Minimum Alternate Tax (MAT)) is recognized at the amount expected to be paid to or recovered from the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that have been enacted or substantially enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### Deferred Tax:

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

The company has adopted lower tax rate as prescribed u/s 115BAA from the FY 20-21 onwards.

### s) Employee Benefits:

#### (i) Short term employee benefits:

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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 obligation can be estimated reliably.

#### Leave Encashment:

The Company pays leave encashment on short term basis for Onsite employees for the period of leave they are entitled to during their onsite stay.

#### (ii) Post Employment obligations:

##### (a) Defined contribution plan:

Employee benefits in the form of Provident Fund/ Social Security payments are defined contribution schemes and contributions

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

made are charged to the Statement of Profit and Loss for the year. The Company has no further obligations under these plans beyond its periodic contributions. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

### (b) Defined benefit plan:

#### Gratuity:

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering all its eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liability with regard to the gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income. Net interest expense/(income) on the net defined liability/(assets) is computed by applying the discount rate, used to measure the net defined liability/(asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

### (iii) Long Term Employee Benefits:

The Company's net obligation in respect of long term employee benefits for offshore employees, being long term compensated absences, is the amount of future benefits that employee have earned in return for the service in the current and prior periods. The liability is determined by an independent actuary, using Projected Unit Credit Method. Actuarial gains and losses are recognised immediately as income or expense in the Statement of Profit

and Loss. Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

### t) Share based compensation:

The Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 'Share-Based Payment'. The estimated fair value of awards is charged to income on a straight line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account. The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

### u) Statement of Cash Flows:

The Statement of Cash Flows has been prepared under the 'Indirect method' as set out in Ind AS 7 'Statement of Cash Flows', whereby profit for the period is adjusted for the effect of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and Cash Equivalents in the Statement of Cash Flows comprise cash at bank and in hand and fixed deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### v) Dividends:

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### w) Lease:

#### Where the Company is a lessee:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", using modified retrospective

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

approach. Accordingly, the comparatives have not been retrospectively restated. The effect of adoption of Ind AS 116 was insignificant.

On transition, the Company has recognised new assets and liabilities for its operating leases of premises.

- i) Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at April 1, 2019.
- (ii) Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.
- (iii) The nature of expenses related to those leases changed from lease rent in previous periods to
  - (a) amortization change for the right-to-use asset, and
  - (b) interest accrued on lease liability.
- (iv) The Company used a practical expedient when applying Ind AS 116. It did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application. The lease payments associated with these are recognised as expenses on a straight line basis over the lease term.

### x) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company's operations predominantly relate to software validation and verification services relating to banking and financial services and insurance industry and accordingly, this is the only primary reportable business segment. The segment sales information is provided on a geographical basis classified as India and the rest of the world.

### y) Recent accounting pronouncements - Standards issued but not yet effective:

Through a notification dated March 31, 2023, the Ministry of Corporate Affairs ("MCA") amended the Companies (Indian Accounting Standards)

Rules 2015 namely the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are effective from April 1, 2023. Following are the key amendments:

#### Ind AS -1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

#### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

#### Ind AS 12- Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences in case of right-of-use assets, lease liabilities, decommissioning, restoration, similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

#### Ind AS 41 – Annual Improvements to Ind AS (2022)

The amendment removes the requirements in Ind AS 41 for entities to exclude cash flows for taxation and measuring fair values. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair value measurements. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 3: Property, Plant & Equipment and Intangible Assets

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 1, 2022 (Restated)	Additions during the year	Deductions during the year	As at March 31, 2023	Upto March 31, 2022 (Restated)	For the Year	Deductions during the year	Adjustment (Refer Note 3.2 below)	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>a) Property, Plant &amp; Equipment</b>										
Buildings	613.79	-	-	613.79	81.85	5.14	-	(21.45)	65.54	531.94
- Owned										
- Right of Use Assets (Refer Note 3.1)	195.93	167.60	30.36	333.17	52.63	43.28	30.36	-	65.55	143.30
Leasehold Improvements	49.22	5.94	1.44	53.72	3.60	1.65	1.15	(0.51)	3.59	45.62
Plant and Equipment	75.58	2.88	-	78.46	23.09	21.33	-	(0.21)	44.21	52.48
Office Equipment	19.01	7.86	2.10	24.77	9.99	4.97	1.75	-	13.21	9.02
Furniture and Fittings	50.96	5.24	0.78	55.42	27.53	7.75	0.51	14.73	49.50	23.43
Computer Equipment	351.42	100.38	37.03	414.77	105.82	122.67	37.03	(0.14)	191.32	245.61
Vehicles	10.74	8.06	3.53	15.27	4.30	3.12	3.53	-	3.89	6.44
<b>Total Property, Plant &amp; Equipment</b>	<b>1,366.65</b>	<b>297.96</b>	<b>75.24</b>	<b>1,589.37</b>	<b>308.81</b>	<b>209.91</b>	<b>74.33</b>	<b>(7.58)</b>	<b>436.81</b>	<b>1,057.84</b>
<b>Previous Year</b>	<b>1,052.49</b>	<b>421.70</b>	<b>107.54</b>	<b>1,366.65</b>	<b>203.57</b>	<b>162.53</b>	<b>57.29</b>	<b>-</b>	<b>308.81</b>	<b>1,057.84</b>
<b>b) Intangible Assets</b>										
Computer Software and Tools	72.07	77.94	0.38	149.63	46.83	21.82	0.38	4.16	72.43	25.24
IP rights	-	184.13	-	184.13	-	41.34	-	-	41.34	-
Customer Contracts	-	7.50	-	7.50	-	1.25	-	-	1.25	-
Goodwill	-	19.00	-	19.00	-	-	-	-	-	-
Non-Compete Fees	-	5.43	-	5.43	-	1.81	-	-	1.81	-
<b>Total Intangible Assets</b>	<b>72.07</b>	<b>294.00</b>	<b>0.38</b>	<b>365.69</b>	<b>46.83</b>	<b>66.22</b>	<b>0.38</b>	<b>4.16</b>	<b>116.83</b>	<b>25.24</b>
<b>Previous Year</b>	<b>59.34</b>	<b>12.73</b>	<b>-</b>	<b>72.07</b>	<b>21.82</b>	<b>25.01</b>	<b>-</b>	<b>-</b>	<b>46.83</b>	<b>25.24</b>
<b>TOTAL (a + b)</b>	<b>1,438.72</b>	<b>591.96</b>	<b>75.62</b>	<b>1,955.06</b>	<b>355.64</b>	<b>276.13</b>	<b>74.71</b>	<b>(3.42)</b>	<b>553.64</b>	<b>1,083.08</b>
<b>Total Previous Year (a + b)</b>	<b>1,111.83</b>	<b>434.43</b>	<b>107.54</b>	<b>1,438.72</b>	<b>225.39</b>	<b>187.54</b>	<b>57.29</b>	<b>-</b>	<b>355.64</b>	<b>1,083.08</b>

**Note 3.1:** Buildings includes right-of-use assets of Rs.333.17 Millions related to leased properties that do not meet the definition of investment property.

**Note 3.2:** Pursuant to the Scheme of Amalgamation ("the Scheme") with effect from the Appointed date of April 01, 2022 (Refer Note 44), the Property, Plant & Equipment (PPE) & the Intangible Assets of transferor Companies stand merged with the existing PPE & Intangible Assets. The estimated lives of the few of PPE & Intangible Assets were differing from the estimated lives of the Company.

During the current year, the Company has aligned the lives of these asset with the lives of assets of the similar asset class & adjusted the depreciation to the extent of 3.42 Millions.



## Notes to the Standalone Financial Statements as at March 31, 2023

## Note 4: Capital Work-In Progress

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Capital Work-In Progress	60.62	60.62
<b>Total</b>	<b>60.62</b>	<b>60.62</b>

## Note 4.1: Ageing of Capital Work in Progress (CWIP) as at Mar 31, 2023

Capital Work in Progress	Rs. In Millions				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	9.30	-	51.32	60.62

## Note 4.2: Ageing of Capital Work in Progress (CWIP) as at Mar 31, 2022 (Restated)

Capital Work in Progress	Rs. In Millions				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	9.30	-	-	51.32	60.62

**Note 4.3:** The Capital work in progress represents C Wing office building in Pune location which is under construction. The work on the office building was temporarily suspended due to onset of Covid pandemic. The Company is following a hybrid model of working, which has created sufficient seating capacity for the existing resource count. The Management will be revisiting on the space plan around end of the financial year 2023-24.

## Note 5: Investments in Subsidiaries

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Investments in Equity Instruments (Unquoted)</b>		
<b>In wholly owned subsidiaries (Fully Paid Up):</b>		
100,000 equity shares (Previous Year: 100,000) of SGD 1/- each in Expleo Solutions Pte. Ltd., Singapore	2.66	2.66
3,000 equity shares (Previous Year: 3,000) of USD 0.01/- each in Expleo Solutions Inc., USA	4.62	4.62
350,000 equity shares (Previous Year : 350,000) of GBP 1/- each of Expleo Solutions UK Ltd., UK	24.17	24.17
600 equity shares (Previous Year: 600) of AED 1,000/- each in Expleo Solutions FZE, UAE	8.70	8.70
<b>Total</b>	<b>40.15</b>	<b>40.15</b>
Aggregate Value of Unquoted Investments	40.15	40.15

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 6: Other Non Current Financial Assets

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Unsecured, Considered good</b>		
Fixed Deposits with remaining maturity of more than 12 months (Refer Note 6.1 below)	-	0.68
Security Deposits	40.39	26.63
<b>Total</b>	<b>40.39</b>	<b>27.31</b>

Note 6.1: Under lien with bank towards guarantees issued by them on behalf of the Company.

### Note 7: Deferred Tax Assets / Liabilities

#### a) Movement in Deferred Tax Balances

##### Deferred Tax Asset/(Liabilities) as at March 31, 2023:

Rs. In Millions

Particulars	Net Balance as at April 01, 2022 (Restated)	Movement during the year		Net balance as at March 31, 2023
		Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	
<b>Deferred Tax Assets / (Liabilities)</b>				
Property, Plant and Equipment	(34.90)	(24.94)	-	(59.84)
Employee Benefits	72.07	(17.77)	(5.29)	49.01
Allowance for expected Credit loss	0.16	2.32	-	2.48
Rent Equalisation	0.76	(0.76)	-	-
<b>Deferred Tax Assets / (Liabilities)</b>	<b>38.09</b>	<b>(41.15)</b>	<b>(5.29)</b>	<b>(8.35)</b>

##### Deferred Tax Asset/(Liabilities) as at March 31, 2022 (Restated):

Rs. In Millions

Particulars	Net Balance as at April 1, 2021 (Restated)	Movement during the year		Net balance as at March 31, 2022 (Restated)
		Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	
<b>Deferred Tax Assets</b>				
Property, Plant and Equipment	(23.36)	(11.54)	-	(34.90)
Employee Benefits	68.29	2.14	1.64	72.07
Allowance for expected Credit loss	0.00*	0.16	-	0.16
Rent Equalisation	0.90	(0.14)	-	0.76
MAT Credit adjustment	142.45	(142.45)	-	-
<b>Deferred Tax Assets</b>	<b>188.28</b>	<b>(151.83)</b>	<b>1.64</b>	<b>38.09</b>

\*Denotes an amount less than Rs.5,000/-.

## Notes to the Standalone Financial Statements as at March 31, 2023

## Note 7: Deferred Tax Assets / Liabilities (Contd.)

## b) Amounts recognised in the Statement of Profit and Loss

Rs. In Millions

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022 (Restated)
<b>Current Income Tax</b>		
Current tax expense for current year	449.73	261.43
Current tax expense pertaining to previous years	11.90	2.95
	461.63	264.38
<b>Deferred Tax Asset (Net)</b>		
Origination and reversal of Tax on Temporary Differences	41.15	151.83
<b>Total Tax expense for the year</b>	<b>502.78</b>	<b>416.21</b>

## c) Amounts recognised in Other Comprehensive Income

Rs. In Millions

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022 (Restated)		
	Before Tax	Tax (Expense)/ Benefit	Net of Tax	Before Tax	Tax (Expense)/ Benefit	Net of Tax
	Remeasurement of Defined Benefit Liability	21.02	(5.29)	15.73	(7.24)	1.64
<b>Total</b>	<b>21.02</b>	<b>(5.29)</b>	<b>15.73</b>	<b>(7.24)</b>	<b>1.64</b>	<b>(5.61)</b>

## d) Reconciliation of Income Tax expense and the accounting profit multiplied by India's tax rate

Rs. In Millions

Particulars	For the year ended	
	March 31, 2023	March 31, 2022 (Restated)
<b>Profit Before Tax</b>	<b>1,735.38</b>	<b>1,052.23</b>
Indian statutory income tax rate	25.168%	25.168% to 29.120%
Expected income tax expense	<b>436.76</b>	<b>274.24</b>
<b>Tax effect of adjustments to reconcile expected Income Tax Expense:</b>		
Tax Effect of Non-Deductible expenses to reported Income Tax Expense	5.89	14.66
Tax Effect of MAT Tax credit foregone in the year (Refer Note 7.1)	-	124.02
Income not chargeable to tax	(0.14)	(9.03)
Adjustments recognised in current year in relation to tax of prior years	11.90	2.95

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 7: Deferred Tax Assets / Liabilities (Contd.)

Rs. In Millions

Particulars	For the year ended	
	March 31, 2023	March 31, 2022 (Restated)
Tax Effect of Tax paid at a lower rate for foreign branches	1.86	4.09
Tax Effect of Deductible Temporary Differences	44.09	0.37
Others	2.41	4.91
<b>Total Income Tax Expense</b>	<b>502.78</b>	<b>416.21</b>

**Note 7.1:** The MAT credit of Expleo India Infosystems Private Limited (EIPL), the Transferor Company in the Scheme of Amalgamation, would not be eligible for carry forward and further utilisation post amalgamation on account of the Transferee Company's lower tax rate under section 115BAA of the Income Tax Act, 1961 and was hence written off in the previous year in the books of EIPL pre-amalgamation.

- e) The Company offsets tax assets & liabilities if and only if it has a legally enforceable right to set off current tax assets & current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant Management judgment is required in determining provision for income tax, deferred.

### Note 8: Income Tax Assets (Net)

Rs. In Millions

Particulars	As at	As at
	March 31, 2023	March 31, 2022 (Restated)
Advance Tax and Tax Deducted at Source (Net)	93.56	74.11
<b>Total</b>	<b>93.56</b>	<b>74.11</b>

(Refer Note 7 for Tax Reconciliations)

### Note 9: Other Non Current Assets

Rs. In Millions

Particulars	As at	As at
	March 31, 2023	March 31, 2022 (Restated)
Capital Advances	-	0.23
Prepaid Expenses	3.50	2.34
Balances with Government authorities	91.53	148.21
Less: Provision for Balances with Government authorities	(5.90)	(5.90)
<b>Total</b>	<b>89.13</b>	<b>144.88</b>

### Note 10: Inventories

Rs. In Millions

Particulars	As at	As at
	March 31, 2023	March 31, 2022 (Restated)
Work in progress	-	22.70
<b>Total</b>	<b>-</b>	<b>22.70</b>

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 11: Trade Receivables

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured (Refer Note 11.1 below)	2,211.01	1,770.81
Less: Allowances for Credit Loss	(3.49)	(0.63)
<b>Total</b>	<b>2,207.52</b>	<b>1,770.18</b>

**Note 11.1:** Includes dues from subsidiaries Rs.257.06 Millions (Previous Year: Rs.213.79 Millions) (Refer Note 43).

### Note 11.2: Ageing of trade receivables as at March 31, 2023 :

Rs. In Millions

Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed dues – considered good	885.64	1,147.60	137.83	37.56	2.38	-	2,211.01
b) Undisputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
c) Undisputed dues – credit impaired	-	-	-	-	-	-	-
d) Disputed dues – considered good	-	-	-	-	-	-	-
e) Disputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
f) Disputed dues – credit impaired	-	-	-	-	-	-	-
<b>Sub total</b>	<b>885.64</b>	<b>1,147.60</b>	<b>137.83</b>	<b>37.56</b>	<b>2.38</b>	<b>-</b>	<b>2,211.01</b>
Less : Allowances for Doubtful Trade receivables							(3.49)
<b>Total</b>							<b>2,207.52</b>
Trade receivables unbilled							593.06
<b>Total</b>							<b>2,800.58</b>

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 11: Trade Receivables (Contd.)

#### Note 11.3: Ageing of trade receivables as at March 31, 2022 (Restated) :

Rs. In Millions

Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed dues – considered good	414.89	1,321.33	29.49	5.00	0.01	0.10	1,770.81
b) Undisputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
c) Undisputed dues – credit impaired	-	-	-	-	-	-	-
d) Disputed dues – considered good	-	-	-	-	-	-	-
e) Disputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
f) Disputed dues – credit impaired	-	-	-	-	-	-	-
<b>Sub total</b>	<b>414.89</b>	<b>1,321.33</b>	<b>29.49</b>	<b>5.00</b>	<b>0.01</b>	<b>0.10</b>	<b>1,770.81</b>
Less : Allowances for Doubtful Trade receivables							(0.63)
<b>Total</b>							<b>1,770.18</b>
Trade receivables unbilled							368.85
<b>Total</b>							<b>2,139.03</b>

### Note 12: Cash and Cash Equivalents

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Balances With Banks</b>		
in Current Accounts	916.06	1,079.03
in Deposit Accounts with original maturity of less than 3 months	380.01	290.61
Cash On Hand	0.04	0.03
<b>Total</b>	<b>1,296.11</b>	<b>1,369.67</b>

**Note 12.1:** There are no repatriation restrictions with regard to Cash and Cash equivalents as at the end of the reporting year and the previous year.

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 13: Other Bank Balances

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Balances With Banks</b>		
Earmarked Balances with Banks - Unclaimed Dividend	1.40	1.92
Deposits with original maturity of more than 3 months but less than 12 months (Refer Note 13.1 below)	30.39	63.02
<b>Total</b>	<b>31.79</b>	<b>64.94</b>

**Note 13.1:** Includes deposits under lien with bank guarantee issued by the bank on behalf of the Company Rs.29.64 Millions (Previous Year: Rs.31.94 Millions).

**Note 13.2:** There are no repatriation restrictions with regard to Other Bank balances as at the end of the reporting year and previous year.

### Note 14: Other Current Financial Assets

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Security deposits	8.02	2.90
Interest accrued on fixed deposits	0.86	0.90
Export incentive receivables	34.44	34.44
Unbilled Revenue	373.01	138.02
<b>Total</b>	<b>416.33</b>	<b>176.26</b>

### Note 15: Other Current Assets

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Considered Good</b>		
Advances to Vendors	101.95	19.21
Advances to employees and others	4.80	10.44
Balances with Government Authorities	213.88	193.51
Prepaid Expenses	130.36	84.13
Unbilled Revenue	220.05	230.82
<b>Total</b>	<b>671.04</b>	<b>538.11</b>

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 16: Equity Share Capital

Rs. In Millions

Particulars	As at	As at
	March 31, 2023	March 31, 2022 (Restated)
<b>a) Authorised</b>		
32,700,000 (Previous Year: 32,700,000) Equity Shares of Rs.10/- each (Refer Note 16.1 below)	327.00	327.00
	<b>327.00</b>	<b>327.00</b>
<b>b) Issued, Subscribed and Paid-Up</b>		
10,252,485 (Previous Year: 10,252,485) Equity Shares of Rs.10/- each fully paid-up	102.52	102.52
<b>c) Shares pending issuance (Refer Note 16.2 below)</b>	52.68	52.68
<b>Total</b>	<b>155.20</b>	<b>155.20</b>

**Note 16.1:** Pursuant to Scheme of Amalgamation, the authorised share capital of the transferor companies stands merged with the Company, and accordingly the authorised share capital of the Company stands increased from Rs.120 Millions consisting of 12,000,000 equity shares of Rs.10/- each to Rs.327 Millions consisting of 32,700,000 equity share of Rs.10/-each.

**Note 16.2:** Pursuant to Scheme of Amalgamation, the Company has allotted & issued 5,267,254 equity shares of Rs.10/- each on May 09, 2023 to the eligible shareholder of the transferor company as on record date.

#### d) Reconciliation of number of shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2023		As at March 31, 2022 (Restated)	
	No. of shares	Rs. in Millions	No. of shares	Rs. in Millions
<b>Equity Shares</b>				
Outstanding at the beginning of the year	10,252,485	102.52	10,252,485	102.52
Issued during the year	-	-	-	-
Shares pending issuance	5,267,254	52.68	5,267,254	52.68
<b>Total</b>	<b>15,519,739</b>	<b>155.20</b>	<b>15,519,739</b>	<b>155.20</b>

#### e) Shareholding Information

Particulars	As at	As at
	March 31, 2023	March 31, 2022 (Restated)
	No. of shares	No. of shares
<b>Equity Shares are held by</b>		
Expleo Technology Germany GmbH (Holding Company)	5,758,804	5,758,804



## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 16: Equity Share Capital (Contd.)

#### f) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### g) Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022 (Restated)	
	No. of shares	%	No. of shares	%
<b>Equity Shares</b>				
Expleo Technology Germany GmbH (Holding Company)	5,758,804	56.17%	5,758,804	56.17%

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

#### h) Equity Shares Reserved for Issue Under Options

There are no equity shares reserved for issue under options.

#### i) Disclosure of Shareholding of Promoters

##### Shares held by promoters as at March 31, 2023

Particulars	As at March 31, 2023		As at March 31, 2022 (Restated)		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH	5,758,804	56.17%	5,758,804	56.17%	0.00%

##### Shares held by promoters as at March 31, 2022

Particulars	As at March 31, 2022 (Restated)		As at March 31, 2021 (Restated)		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH	5,758,804	56.17%	5,758,804	56.17%	0.00%

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 17: Other Equity

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>a) Capital Redemption Reserve (Refer Note 17.1 below)</b>		
Opening Balance	4.61	4.61
Addition during the year	-	-
Closing Balance	4.61	4.61
<b>b) Capital Reserve (Refer Note 17.2 below)</b>		
Opening Balance	(1,206.21)	(1,206.21)
Addition during the year	-	-
Closing Balance	(1,206.21)	(1,206.21)
<b>c) Securities Premium (Refer Note 17.3 below)</b>		
Opening Balance	6.69	6.69
Addition during the year	-	-
Closing Balance	6.69	6.69
<b>d) Employee Stock Compensation Reserve (Refer Note 17.4 below)</b>		
Opening Balance	1.31	1.31
Addition during the year	-	-
Closing Balance	1.31	1.31
<b>e) General Reserve (Refer Note 17.5 below)</b>		
Opening Balance	251.82	251.82
Addition during the year	-	-
Closing Balance	251.82	251.82
<b>f) Retained Earnings (Refer Note 17.6 below)</b>		
Opening Balance	4,270.08	3,639.67
Profit for the year	1,232.60	636.02
Other Comprehensive Income	15.73	(5.61)
Closing Balance	5,518.41	4,270.08
<b>Total</b>	<b>4,576.63</b>	<b>3,328.29</b>

#### Note 17.1: Capital Redemption reserve

As per provisions of Section 69 of the Companies Act, 2013, Capital Redemption Reserve is to be created when Company purchase (buy back) its own shares out of the free reserves for an amount equal to the nominal value of shares (Share Capital extinguished) so purchased. Accordingly, during the Financial year ended March 31, 2020 an amount of Rs.4.61 Millions, i.e., the share capital extinguished had been transferred from Retained Earnings to Capital Redemption Reserve.

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 17: Other Equity (Contd.)

#### Note 17.2: Capital Reserve

The debit balance of capital reserve of Rs.1,213.51 Millions is on account of the Scheme of Amalgamation between the Company and Expleo India Infosystems Private Limited (EIPL) (Transferor Company 1), Expleo Technologies India Private Limited (ETIPL) (Transferor Company 2), Expleo Engineering India Private Limited (EEIPL) (Transferor Company 3), and Silver Software Development Centre Private Limited (SSDC) (Transferor Company 4), in the current financial year 2022-23.

Balance amount represents credit balance created on account of previous business restructuring in EIPL to the tune of Rs.7.30 Millions.

#### Note 17.3: Securities Premium

This balance has been recognised on issue of 334,250 equity shares of Rs.10/- each at a premium of Rs.20/- each, by EEIPL vide an erstwhile Scheme of Amalgamation to Assystem International S.A. during the financial year 2009-10.

#### Note 17.4: Employee Stock Compensation Reserve

The Employee Stock Compensation Reserve is used to recognise the grant date fair value of options issued under the Group's Stock Option Plan provided to employees as part of their remuneration.

#### Note 17.5: General Reserve

The Company had transferred a portion of its net profit to the General Reserve, on a voluntary basis during the previous years.

#### Note 17.6: Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfers to General Reserve, dividends or other distributions paid to shareholders.

### Note 18: Borrowings (Non Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Secured</b>		
Indian Rupee Term Loan from a financial institution (Refer Note 18.1 below)	3.93	4.57
<b>Total</b>	<b>3.93</b>	<b>4.57</b>

**Note 18.1:** Indian Rupee Loan from financial institution was availed by the Company in June, 2021 at an interest rate of 8.80% per annum, secured against first charge on the underlying vehicle so purchased, repayable in 48 equal monthly instalments along with interest with effect from July, 2021.

### Note 19: Provisions (Non Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Provision for Employee Benefits</b>		
Compensated Absences	62.00	83.86
Gratuity	-	35.59
Long Term Service Award	23.76	11.88
<b>Total</b>	<b>85.76</b>	<b>131.33</b>

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 20: Borrowings (Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Secured</b>		
Indian Rupee Term Loan from a financial institution (Refer Note 18.1)	0.78	0.78
<b>Total</b>	<b>0.78</b>	<b>0.78</b>

### Note 21: Trade Payables

#### Note 21.1: Ageing of Trade payables as at March 31, 2023:

Rs. In Millions

Particulars		Not due	Outstanding for the following periods from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
a)	Undisputed dues - MSME	1.09	-	-	-	-	<b>1.09</b>
b)	Undisputed dues - Others	47.05	303.39	65.82	4.58	8.30	<b>429.14</b>
c)	Disputed Dues - MSME	-	-	-	-	-	-
d)	Disputed Dues - Others	-	-	-	-	-	-
	<b>Total</b>						<b>430.23</b>

#### Note 21.2: Ageing of Trade payables as at March 31, 2022:

Rs. In Millions

Particulars		Not due	Outstanding for the following periods from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
a)	Undisputed dues - MSME	3.77	0.24	-	-	-	<b>4.01</b>
b)	Undisputed dues - Others	100.58	602.92	11.43	22.56	0.14	<b>737.63</b>
c)	Disputed Dues - MSME	-	-	-	-	-	-
d)	Disputed Dues - Others	-	-	-	-	-	-
	<b>Total</b>						<b>741.64</b>

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 21: Trade Payables (Contd.)

#### Note 21.3: Relationship with struck-off companies

Rs. In Millions

Name of struck-off Company	Nature of transactions	Transactions during the year	Balance outstanding as at March 31, 2023	Relationship with the struck off company
Trishul Communications Private Limited	Service Obtained	0.44	-	Vendor

#### Note 21.4: Dues of Micro and Small Enterprises

Disclosure of trade payables and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the “Micro, Small & Medium Enterprises Development (MSMED) Act, 2006”. There is no amount overdue to Micro & Small Enterprises on account of principal amount together with interest for previous year ended March 31, 2022.

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
a) The Principal amount and interest due thereon remaining unpaid to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006).		
Principal	1.09	4.01
Interest	0.76	-
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d) Amount of interest accrued and remaining unpaid at the end of the accounting year; and	0.76	-
e) Amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

## Notes to the Standalone Financial Statements as at March 31, 2023

### Note 22: Other Current Financial Liabilities

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Unclaimed dividend (Refer Note 22.1 below)	1.39	1.92
Employee benefits payable	172.16	180.02
Gratuity Liability	112.50	76.12
Liabilities for other expenses	281.19	276.94
<b>Total</b>	<b>567.24</b>	<b>535.00</b>

**Note 22.1:** There are no amounts due for payment to the Investor Education and Protection Fund as at the end of the current year and previous year.

### Note 23: Other Current Liabilities

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Statutory Dues	56.97	150.47
Unearned Revenue	34.72	95.91
<b>Total</b>	<b>91.69</b>	<b>246.38</b>

### Note 24: Provisions (Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Provision for Employee Benefits</b>		
Compensated Absences	20.27	27.60
Gratuity	-	7.95
Long Term Service Award	8.45	3.42
<b>Total</b>	<b>28.72</b>	<b>38.97</b>

### Note 25: Current Tax Liabilities (Net)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Provision for Tax (Net)	141.66	86.20
<b>Total</b>	<b>141.66</b>	<b>86.20</b>

(Refer Note 7 for Tax Reconciliations)

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

## Note 26: Revenue from Operations

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Revenue from contracts with customers (Refer Note 26.1 below)</b>		
Software services	9,032.95	7,425.35
<b>Total</b>	<b>9,032.95</b>	<b>7,425.35</b>

## Note 26.1: Disclosures relating to Revenue from Operations

## a) Disaggregation of Revenue

The table below presents disaggregated revenues from contracts with customers for the years ended March 31, 2023 and March 31, 2022 by contract type. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of their revenues and cash flows are affected by economic factors.

## Revenue based on contract type:

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Fixed Bid	2,569.93	2,415.50
Time & Material	6,463.02	5,009.85
<b>Total</b>	<b>9,032.95</b>	<b>7,425.35</b>

The Company derives its revenue across two categories of contracts - Fixed Bid contracts and Time & Material (T&M) contracts. The Company has identified a single reportable segment namely 'Software Validation and Verification Services, Software Development and Engineering consultancy services' as disclosed in Note 42 to the Standalone Financial Statements. The Company has disclosed revenue generated by geographical market which is provided only as per the specific requirement of Ind AS 108 for a single reportable segment. However, the Company does not assess revenue based on geography and hence there is no disaggregation of revenue disclosed based on geography.

- b) The contract liabilities (unearned revenue) primarily relate to the advance consideration received from customers for which revenue is recognised over time. An amount of Rs.34.72 Millions (Previous Year: Rs.95.91 Millions) recognised in contract liabilities as at April 1, 2022 has been recognised as revenue for the year ended March 31, 2023.
- c) There is no revenue recognised in the reporting period for performance obligations satisfied in previous periods.
- d) **Transaction price allocated to the remaining performance obligations**

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs.38.41 Millions (Previous Year: Rs.237.55 Millions) which is expected to be recognised as revenue in the next year. Remaining performance obligation estimates are subject to change and are affected by several factors, including adjustments for currency.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 26: Revenue from Operations (Contd.)

#### e) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis and in the case of fixed bid contracts with an original expected project duration of less than one year.

#### f) Revenue as per contracted price with the customers

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Revenue from contracts with customers (as per the Statement of Profit and Loss)	9,032.95	7,425.35
Add: Discounts	24.64	28.72
<b>Revenue as per contracted price with the customers</b>	<b>9,057.59</b>	<b>7,454.07</b>

### Note 27: Other Income

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Interest Income		
On Fixed deposits and others	18.37	15.16
On Other financial assets carried at amortised cost	0.92	0.79
Profit on Sale of Property, Plant & Equipment	8.47	1.07
Rent Concessions	-	0.03
Income from Leasehold Property	-	7.95
Net foreign exchange gain	57.89	18.99
Miscellaneous Income	1.24	3.35
<b>Total</b>	<b>86.89</b>	<b>47.34</b>

### Note 28: Employee Benefits Expense

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Salaries, wages and bonus	4,140.37	3,342.84
Contribution to provident and other funds (Refer Note 33 (b) (i))	224.92	177.45
Gratuity expense (Refer Note 33 (b) (ii))	49.54	44.29
Staff welfare expense	68.92	52.26
<b>Total</b>	<b>4,483.75</b>	<b>3,616.84</b>



## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 29: Cost of material consumed and other direct costs

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Purchase and other direct costs	71.68	65.27
Freight, Clearing and Other Expenses	1.51	0.15
Add: Employee Benefit Expenses	-	6.28
Add: Other Expenses	-	9.44
<b>Total</b>	<b>73.19</b>	<b>81.14</b>

### Note 30: Finance Cost

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Interest on Loan	1.27	0.48
Interest on Income Tax	8.95	3.49
Interest on Lease liability	12.34	8.15
<b>Total</b>	<b>22.56</b>	<b>12.12</b>

### Note 31: Other Expenses

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Travel and conveyance	177.09	68.44
External Consultant costs	932.90	1,360.77
Sales commission	-	1.18
Onsite service expenses	747.50	468.65
Professional fees	85.48	78.96
Software expenses	245.91	223.89
Rent expenses for Short term and low value leased assets (Refer Note 37)	8.34	8.29
Marketing and selling expenses	50.34	46.31
Repairs & maintenance		
Buildings	50.12	40.98
Plant and machinery	6.11	5.27
Others	13.26	10.36
Power and fuel	31.85	23.92
Rates and taxes	9.45	27.32
Communication expenses	0.57	10.39
Insurance	74.15	29.61
Training and recruitment	34.72	71.15

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 31: Other Expenses (Contd.)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Corporate Social Responsibility Expense (Refer Note 41)	20.11	18.98
Audit fees (Refer Note 39)	8.96	7.47
Directors sitting fees	1.98	1.82
Commission to Non-Executive directors	8.13	6.25
Allowances for credit loss	2.86	0.61
Bad Debts written off	6.96	-
Loss on sale of Property, Plant & Equipment	-	0.27
Miscellaneous expenses	15.46	11.92
<b>Total</b>	<b>2,532.25</b>	<b>2,522.82</b>

### Note 32: Earnings Per Share

Pursuant to Merger as detailed in Note 44, the Company has issued 5,267,254 equity shares to the Shareholder of the merging entities on May 9, 2023. These new shares have been considered for the purpose of computation of the earnings per share as per the requirements of Ind AS 33 for the years ended March 31, 2023, and March 31, 2022.

#### a) Basic Earnings Per Share

The calculation of Basic Earnings Per Share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding.

##### (i) Profit attributable to equity shareholders (basic)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Profit for the year, attributable to equity shareholders of the company	1,232.60	636.02
<b>Total</b>	<b>1,232.60</b>	<b>636.02</b>

##### (ii) Weighted average number of equity shares (basic)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Number of equity shares at the beginning of the year	15,519,739	15,519,739
No. of shares added during the year	-	-
<b>Total weighted average number of equity shares for calculating basic EPS</b>	<b>15,519,739</b>	<b>15,519,739</b>
<b>Earnings Per Share - Basic (in Rs.) (Face Value Rs.10/- per share)</b>	<b>79.42</b>	<b>40.98</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 32: Earnings Per Share (Contd.)

#### b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders and weighted average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares.

##### (i) Profit attributable to equity shareholders (diluted)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Profit for the year, attributable to equity shareholders of the Company	1,232.60	636.02
<b>Total</b>	<b>1,232.60</b>	<b>636.02</b>

##### (ii) Weighted average number of equity shares (diluted)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Weighted average number of equity shares outstanding (basic)	15,519,739	15,519,739
<b>Weighted average number of equity shares for calculating diluted EPS</b>	<b>15,519,739</b>	<b>15,519,739</b>
<b>Earnings Per Share - Diluted (in Rs.) (Face Value Rs.10/- per share)</b>	<b>79.42</b>	<b>40.98</b>

### Note 33: Disclosure as required under Ind AS 19 - 'Employee Benefits'

#### a) Compensated Absences

The Company provides for the encashment of leave or leave with pay to offshore employees. The employees are entitled to accumulate leave subject to certain limits, for future availment/encashment. The liability is provided based on the number of days of unutilised days of leave at each Balance Sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Liability at the beginning of the year	111.46	85.19
Leave salary cost accounted for the year (Net)	(29.19)	26.27
<b>Total liability as at the end of the year</b>	<b>82.27</b>	<b>111.46</b>

**Note 33.1:** Refer Note 19 for Long term benefits and Note 24 for Short term benefits.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 33: Disclosure as required under Ind AS 19 - 'Employee Benefits' (Contd.)

#### b) Post-employment obligations

##### (i) Defined contribution plan - Provident Fund & Social Security Schemes Rs. In Millions (Refer Note 28)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Employer's contribution accounted for the year (includes EDLI Charges and Employer's Contribution to Employee's Pension Scheme, 1995)	194.06	174.17
Social Security contribution in respect of employees based outside India	30.86	3.28
<b>Total</b>	<b>224.92</b>	<b>177.45</b>

##### (ii) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India (LIC) as per New Group Gratuity Cash Accumulation Plan for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority (IRDA) Regulations. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. The previous year balances include the balances of the Transferor Company Expleo Technologies India Private Limited (ETIPL) vide the Scheme of Amalgamation. The balance of gratuity towards these employees are unfunded.

##### Defined Benefit Plan - Gratuity

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>i) Change in Present Value of Defined Benefit Obligation</b>		
<b>Present Value of Defined Benefit Obligation at the beginning of the year</b>	252.36	232.01
Interest cost	14.73	12.49
Current service cost	44.75	39.70
Past Service Cost	(1.94)	-
Benefits paid	(37.76)	(39.90)
Actuarial (Gain)/ Loss on obligations- due to change in demographic assumptions	(4.56)	-
Actuarial (Gain)/ Loss on obligations- due to change in financial assumptions	(2.28)	3.36
Actuarial (Gain)/ Loss on obligations- due to change in experience	(13.58)	4.70
<b>Present value of obligation as at end of the year</b>	<b>251.72</b>	<b>252.36</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 33: Disclosure as required under Ind AS 19 - 'Employee Benefits' (Contd.)

<b>Defined Benefit Plan - Gratuity</b>		<b>Rs. In Millions</b>	
<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022 (Restated)</b>	
<b>ii) Change in fair value of Plan Assets</b>			
<b>Fair value of plan assets at the beginning of the year</b>	132.70	131.55	
Expected return on plan assets	8.01	7.90	
Contributions made	30.54	28.36	
Benefits paid	(32.63)	(35.93)	
Return on plan assets, excluding amounts included in interest (expense)/ income	0.60	0.82	
<b>Fair value of plan assets at the end of the year</b>	<b>139.22</b>	<b>132.70</b>	
<b>iii) Amount recognized in the Balance sheet</b>			
Present value of the obligation as at end of the year	251.72	252.36	
Less: Fair value of plan assets as at end of the year	139.22	132.70	
Net obligation as at end of the year	112.50	119.66	
<b>Amount recognized in the Balance Sheet</b>			
Net liability recognized - Current	112.50	84.07	
Net liability recognized - Non-current (Refer Note (33.2)(i) below)	-	35.59	
<b>iv) Expenses recognized in the Statement of Profit and Loss for the year</b>			
Current service cost	44.75	39.70	
Past service cost	(1.94)	-	
Net Interest on Net Defined benefit obligations	14.73	12.49	
Interest (income) on plan assets	(8.01)	(7.90)	
<b>Total expense included in employee benefit expenses</b>	<b>49.53</b>	<b>44.29</b>	
<b>v) Recognized in Other comprehensive income for the year</b>			
Actuarial (Gain)/Loss on obligations- due to change in demographic assumptions	(4.56)	-	
Actuarial (Gain)/Loss on obligations- due to change in financial assumptions	(2.28)	3.36	
Actuarial (Gain)/Loss on obligations- due to change in experience	(13.58)	4.70	
Remeasurement - (return)/loss on plan assets excluding amount included in net interest income	(0.60)	(0.82)	
<b>Recognized in Other Comprehensive Income</b>	<b>(21.02)</b>	<b>7.24</b>	

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 33: Disclosure as required under Ind AS 19 - 'Employee Benefits' (Contd.)

<b>Defined Benefit Plan - Gratuity</b>		<b>Rs. In Millions</b>	
<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022 (Restated)</b>	
<b>vi) Actuarial assumptions</b>			
Discount rate - Current	7.31%	5.85% to 6.60%	
Expected rate of return on plan assets	7.31%	5.85% to 6.60%	
Salary Escalation - Current	10.00%	7.5% to 10.00%	
Attrition rate	25.00%	17.00% to 26.00%	
<b>vii) Sensitivity Analysis (Refer Note 33.2 (ii) below)</b>			
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:			
<b>Impact on defined benefit obligation</b>			
Delta effect of +0.5% Change in Rate of discounting	247.19	247.21	
Delta effect of -0.5% Change in Rate of discounting	256.42	257.73	
Delta effect of +0.5% Change in Rate of Salary Escalation	255.50	257.23	
Delta effect of -0.5% Change in Rate of Salary Escalation	247.99	247.60	
Delta effect of +0.5% Change in Rate of Employee turnover	250.74	251.42	
Delta effect of -0.5% Change in Rate of Employee turnover	252.71	253.32	
Methodology adopted for asset liability management (ALM)	Projected Unit Credit Method	Projected Unit Credit Method	
<b>viii) Maturity profile of defined benefit obligation</b>			
The expected maturity analysis of gratuity is as follows:		<b>Rs. In Millions</b>	
<b>Projected benefits payable in future years from the date of reporting</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022 (Restated)</b>	
1st Following year	54.36	48.49	
2nd Following year	45.16	41.77	
3rd Following year	40.03	36.99	
4th Following Year	36.59	33.07	
5th Following year	32.92	30.56	
Sum of years 6 to 10 years	91.27	88.85	
Above 10 Years	44.21	-	
<b>ix) Category of Plan assets</b>			
Funds managed by the Insurer (Refer Note 33.2 (iii))	100%	100%	
<b>x) Risk exposure</b>			
This does not apply to the Company since it invests in the traditional plan of LIC, for which the underlying assets are not known to the policy holders.			

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 33: Disclosure as required under Ind AS 19 - 'Employee Benefits' (Contd.)

#### Note 33.2:

- (i) The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute to the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.
- (ii) **Usefulness & methodology adopted for sensitivity analysis**  
Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not to be true on a different count. This only signifies the change in the liability if the difference between the assumed & the actual is not following the parameters of the sensitivity analysis.
- (iii) There was partially unfunded liability to the extent of Bengaluru location.

### Note 34: Financial Instruments

#### a) Fair Values and Risk Management

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2023	Carrying Amount				Fair Value			
	Fair value through profit or loss	Fair Value through Other Comprehensive Income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>								
Security deposits - Non-Current	-	-	40.39	40.39	-	-	-	-
Trade receivables	-	-	2,207.52	2,207.52	-	-	-	-
Cash and cash equivalents	-	-	1,296.11	1,296.11	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	31.79	31.79	-	-	-	-
Security deposits - Current	-	-	8.02	8.02	-	-	-	-
Interest accrued on fixed deposits	-	-	0.86	0.86	-	-	-	-
Export Incentive Receivable	-	-	34.44	34.44	-	-	-	-
Unbilled Revenue	-	-	373.01	373.01	-	-	-	-
<b>Total</b>	-	-	<b>3,992.13</b>	<b>3,992.13</b>	-	-	-	-
<b>Financial Liabilities:</b>								
Borrowings - Non-Current	-	-	3.93	3.93	-	-	-	-
Borrowings - Current	-	-	0.78	0.78	-	-	-	-

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 34: Financial Instruments (Contd.)

Rs. In Millions

As at March 31, 2023	Carrying Amount				Fair Value			
	Fair value through profit or loss	Fair Value through Other Comprehensive Income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Lease Liability - Non-Current	-	-	218.76	218.76	-	-	-	-
Lease Liability - Current	-	-	39.11	39.11	-	-	-	-
Trade payables	-	-	430.23	430.23	-	-	-	-
Other current financial liabilities	-	-	567.24	567.24	-	-	-	-
<b>Total</b>	-	-	<b>1,260.04</b>	<b>1,260.04</b>	-	-	-	-

Rs. In Millions

As at March 31, 2022 (Restated)	Carrying Amount				Fair Value			
	Fair value through profit or loss	Fair Value through Other Comprehensive Income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>								
Security deposits - Non-Current	-	-	26.63	26.63	-	-	-	-
Other Non-Current financial assets	-	-	0.68	0.68	-	-	-	-
Trade receivables	-	-	1,770.18	1,770.18	-	-	-	-
Cash and cash equivalents	-	-	1,369.67	1,369.67	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	64.94	64.94	-	-	-	-
Security deposits - Current	-	-	2.90	2.90	-	-	-	-
Interest accrued on fixed deposits	-	-	0.90	0.90	-	-	-	-
Export Incentive Receivable	-	-	34.44	34.44	-	-	-	-
Unbilled Revenue	-	-	138.02	138.02	-	-	-	-
<b>Total</b>	-	-	<b>3,408.35</b>	<b>3,408.35</b>	-	-	-	-
<b>Financial Liabilities:</b>								
Borrowings - Non-Current	-	-	4.57	4.57	-	-	-	-
Borrowings - Current	-	-	0.78	0.78	-	-	-	-
Lease Liability - Non-Current	-	-	105.62	105.62	-	-	-	-



## Notes to the Standalone Financial Statements for the year ended March 31, 2023

## Note 34: Financial Instruments (Contd.)

Rs. In Millions

As at March 31, 2022 (Restated)	Carrying Amount				Fair Value			
	Fair value through profit or loss	Fair Value through Other Comprehensive Income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Lease Liability - Current	-	-	36.12	36.12	-	-	-	-
Trade payables	-	-	741.64	741.64	-	-	-	-
Other current financial liabilities	-	-	535.00	535.00	-	-	-	-
<b>Total</b>	-	-	<b>1,423.72</b>	<b>1,423.72</b>	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market 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 among Level 1, Level 2 and Level 3 during the current year and previous year.

#### b) Measurement of Fair Value

The Company uses Discounted Cash Flow valuation technique (in relation to Fair Value of asset measured at amortised cost) which involves determination of present value of expected receipt/payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

#### c) Financial Risk Management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit and liquidity, which may impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

##### (i) Credit Risk

Credit risk is the risk of financial loss arising from counterparty's failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses, both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk of existing customer is controlled by continuous monitoring of the collection trend of each customer on a periodical basis. With respect to a new customer, the Company uses external/internal sources to assess the potential customer's credit quality.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invests in Fixed deposits with banks having high credit ratings.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 34: Financial Instruments (Contd.)

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs.3,951.74 Millions (Previous Year: Rs.3,381.05 Millions) being the total of the carrying amount of trade receivables, cash and cash equivalents, other balances with banks and other financial assets.

#### Trade Receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each Balance Sheet Date whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience adjusted for forward-looking information. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

The following table gives the details in respect of the amount and percentage of trade receivables from major customers:

Particulars	Rs. In Millions	
	As at March 31, 2023	As at March 31, 2022 (Restated)
Trade receivables from major customers	-	-
Percentage of Trade Receivables from major customers	-	-

The Company has computed the credit loss allowance based on the Expected Credit Loss model which excludes transactions with its wholly owned subsidiaries.

The movement in the expected credit loss allowance is as follows:

Particulars	Rs. In Millions	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Balance at beginning of the year	0.63	0.02
Impairment loss provision created	2.86	0.61
<b>Balance at end of the year</b>	<b>3.49</b>	<b>0.63</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 34: Financial Instruments (Contd.)

#### (ii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

#### a) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and loss, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in USD, EURO and GBP against the functional currency of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

#### Exposure in Foreign Currency (FCY) - Unhedged

Particulars	FCY	March 31, 2023		March 31, 2022 (Restated)	
		Amount (FCY in Millions)	Amount (Rs. in Millions)	Amount (FCY in Millions)	Amount (Rs. in Millions)
Trade receivables	GBP	0.81	82.42	2.55	254.23
Trade receivables	USD	9.07	745.83	4.91	372.45
Trade receivables	EUR	12.39	1,109.93	6.63	561.58
Cash and Cash Equivalents	GBP	1.31	133.92	0.93	92.84
Cash and Cash Equivalents	USD	3.03	248.83	1.61	122.20
Cash and Cash Equivalents	EUR	3.26	292.25	7.76	657.05
Other Current Financial Assets	GBP	0.26	26.21	0.00*	0.42
Other Current Financial Assets	USD	0.81	66.27	0.68	51.60
Other Current Financial Assets	EUR	2.77	248.23	0.84	71.36
Trade Payables	GBP	0.01	0.77	0.13	13.08
Trade Payables	USD	0.07	5.95	0.52	39.64
Trade Payables	EUR	3.46	310.27	5.96	504.91
Other Current Financial Liabilities	GBP	-	-	0.03	3.14
Other Current Financial Liabilities	EUR	-	-	0.15	12.06
Other Current Financial Liabilities	USD	0.60	54.13	5.56	470.61

\*Denotes amounts in the respective foreign currency less than 5,000/-.

#### Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 34: Financial Instruments (Contd.)

Rs. In Millions

Particulars	Impact on profit after tax	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>GBP Sensitivity</b>		
INR/GBP - Increased by 5%*	12.09	16.56
INR/GBP - Decreased by 5%*	(12.09)	(16.56)
<b>USD Sensitivity</b>		
INR/USD - Increased by 5%*	52.75	24.73
INR/USD - Decreased by 5%*	(52.75)	(24.73)
<b>EUR Sensitivity</b>		
INR/EUR - Increased by 5%*	64.30	15.72
INR/EUR - Decreased by 5%*	(64.30)	(15.72)

\* Holding all other variables constant

#### b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates to investments which are primarily short-term fixed deposits, which do not expose it to significant interest rate risk.

#### (iii) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date:

Rs. In Millions

As at March 31, 2023	Carrying amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Non-Current</b>						
Borrowings	3.93	3.93	-	0.92	3.01	-
Lease Liability	218.76	218.76	-	41.71	139.87	37.18
<b>Current</b>						
Borrowings	0.78	0.78	0.78	-	-	-
Lease Liabilities	39.11	39.11	39.11	-	-	-
Trade Payables	430.23	430.23	430.23	-	-	-
Other Current Financial Liabilities	567.24	567.24	567.24	-	-	-

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

## Note 34: Financial Instruments (Contd.)

The following are the remaining contractual maturities of financial liabilities: **Rs. In Millions**

As at March 31, 2022 (Restated)	Carrying amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Non-Current</b>						
Borrowings	4.57	4.57	-	0.73	3.84	-
Lease Liability	105.62	105.62	-	16.71	60.64	28.27
<b>Current</b>						
Borrowings	0.78	0.78	0.78	-	-	-
Lease Liabilities	36.12	36.12	36.12	-	-	-
Trade Payables	741.64	741.64	741.64	-	-	-
Other Current Financial Liabilities	535.00	535.00	535.00	-	-	-

## Note 35: Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders. The Company is not subject to any externally imposed capital requirements.

## Note 36: Assets pledged as security

The Company has bank guarantee facilities with banks which are secured by Fixed deposits (Previous year secured by Fixed deposits). There is no outstanding amount due on this account as at the end of the current year and the previous year.

Particulars	Rs. In Millions	
	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Current Financial Assets</b>		
<b>First Charge</b>		
Current Assets - Fixed Deposits with Banks	30.52	50.45
<b>Total assets pledged as security</b>	<b>30.52</b>	<b>50.45</b>

## Note 37: Disclosure required under Ind AS 116 "Leases"

The Company has entered into operating leases on its office buildings. These leases have terms of 2 to 10 years. Future minimum contractual rentals payable under non-cancellable operating leases as at March 31, 2023 is Rs.128.01 Millions (Previous Year: Rs.67.09 Millions).

The Company used a practical expedient, and did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application. The Lease payments associated with these amounting to Rs.8.34 Millions (Previous Year: Rs.8.29 Millions) are recognised as expenses on a straight line basis over the lease term.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 37: Disclosure required under Ind AS 116 “Leases” (Contd.)

The movement in Lease Liabilities during the years ended March 31 is as follows: Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Opening Liability	141.74	95.74
Additions towards new lease properties	158.74	135.38
Deletions of Lease liability during the year	-	(52.83)
Interest expenses	12.34	8.15
Payment of Lease Liabilities	(54.95)	(44.70)
<b>Closing Liability</b>	<b>257.87</b>	<b>141.74</b>

The Lease Liabilities as at March 31, 2023 amounting to Rs.257.87 Millions (Previous Year: Rs.141.74 Millions) comprises of Non-Current Lease liabilities of Rs.218.76 Millions (Previous Year: Rs.105.62 Millions) and current lease liability of Rs.39.11 Millions (Previous Year: Rs.36.12 Millions). The contractual maturities of lease liabilities as of March 31, 2022 is disclosed in Note 34.

The incremental borrowing rates derived by a valuer, on the basis of the borrowing rate for each lease contract for the remaining life of the lease contract, adjusted with the credit profile of the Company, are used for each of the office buildings separately and the average lessee’s incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application ranges from 5.46% to 12.52%.

### Note 38: Contingent Liabilities and Commitments

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>a) Contingent Liabilities</b>		
(i) Claims against the Company not acknowledged as debt:		
Service Tax related matters	829.39	820.18
VAT Related Matters	0.28	0.28
Income Tax related matters	230.77	220.12
(ii) Guarantees		
Counter Guarantees issued to the bank	4.22	11.87
<b>b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	43.85	18.67

The Service Tax Authorities Chennai had made a demand for Rs.329.14 Millions along with interest and penalty for an equivalent amount, towards tax leviable for certain services rendered by the Company for the period April, 2011 to March, 2016. The Service Tax Authorities had also made a demand for Rs.126.90 Millions along with interest and penalty of Rs.1.2 Millions towards tax leviable for certain services rendered by the Company for the period April, 2016 to June, 2017. The Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT) for both the demands and the Management expects it’s position to be upheld by the Authorities in respect of both the demands.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 38: Contingent Liabilities and Commitments (Contd.)

During the FY 19-20 the company has received a show cause notice from the Additional Commissioner of Central Goods and Service Tax Audit -1 Commissioner at Pune towards Non Payment of service Tax amounting to Rs.35.75 Millions with regards to import of service on reverse charge Basis (as recipient of service) in respect of the onsite service received by the company from Non - Taxable territory for the period FY 2014-15 to FY 2017-18. The company based on the legal advise beleives that the claim of the department is not tenable.

The company has received a notice from the Principal Commissioner Pune GST 1 at Pune pertaining to FY 2015-16 towards non payment of service tax amounting to Rs.7.26 Millions towards turnover differences. The company based on the legal advise believes that the claim of the department is not tenable.

Contingent liabilities include demand from the Income tax authorities of Chennai , Pune and Bangalore for payment of additional tax of Rs.230.77 Millions (Previous Year: Rs.220.12 Millions) for the fiscal years 2009-10, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 , 2018-19 and 2019-20 . The tax demand is mainly on account of disallowance of a portion of the deduction claimed by the Company under Section 10A/10AA of the Income Tax Act and also other expenses disallowed. The Company has filed appeals before CIT (Appeals). The Company has also paid an amount of Rs.73.99 Millions (after adjusting the refund of Rs.13.36 Millions related to earlier years), towards the outstanding demand (under protest). The Management believes that its position in respect of all the years will be upheld by the Authorities.

In case of Bangalore unit , the Income Tax department has not accepted the transfer price adopted by the Company and has made adjustments to the prices charged by the Company to its associate company for the financial year 2009-10 (assessment year 2010-11) and financial year 2016-17 (Assessment Year 2017-18). This has resulted in additional tax demand including penalty for the said years which are disputed by the company. The Management of the Company is confident that the above matter will be ultimately settled in favour of the Company and there will not be any material adjustment on completion of the appeal proceedings. In respect of tax demands for the financial year 2009-10, the Company has paid Rs.2.50 Millions against the tax demand under protest and further the Department has adjusted tax refunds of other years aggregating to Rs.24.55 Millions against this demand, which also includes excess adjustment of Rs.5.45 Millions against which the Company had filed rectification petition.

During the FY 20-21 the Company has made an additional tax provision of Rs.6.58 Millions for the FY 2009-10 and also has made a payment under protest for the FY 2009-10 amounting to Rs.27.90 Millions only for the issue pertaining to Section. 10A of the Income Tax Act, 1961. The Company's management after discussion with the tax consultants, decided to make the payment under protest for the Section 10 A issue alone for the FY 2009-10. The Company believes that for the FY 2009-10, the other issue will be in favour of the Company. The payment under protest was made to mitigate future interest on the Section 10A issue alone. However, the management has decided to litigate further for the FY 2009-10.

### Note 39: Amount paid to Auditors

Particulars	Rs. In Millions	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Payments to the Auditors as:</b>		
a) Auditor	5.30	4.10
b) For Other Assurance Services	3.06	3.03
c) For Reimbursement of expenses	0.60	0.34
<b>Total</b>	<b>8.96</b>	<b>7.47</b>

**Note 39.1:** Previous year's figure of audit fees includes audit fees paid to the erstwhile auditor of Rs.3.30 Millions.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 40: Foreign Exchange Difference

The amount of exchange gain included in the Statement of Profit & Loss is Rs.57.89 Millions (Previous Year: Gain of Rs.18.99 Millions).

### Note 41: Corporate Social Responsibility

The Company has spent Rs.20.11 Millions during the current year (Previous Year: Rs.18.98 Millions) as per provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under Note 31 'Other Expenses'.

a) The Gross amount required to be spent by the Company during the year is Rs.20.11 Millions (Previous Year: Rs.18.98 Millions).

b) Amount spent during the year on:

Particulars		Rs. In Millions	
		For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
1	Amount of expenditure incurred :		
	(i) Construction/ Acquisition of any Asset	-	-
	(ii) On purposes other than (i) above	20.11	18.98
2	Shortfall at the end of the year	-	-
3	Total of previous year Shortfall	-	-
4	Reasons for shortfall	N.A	N.A
5	Nature of CSR activities	Education and Health Care	

### Note 42: Segment Information

The Company publishes these Standalone Financial Statements along with the Consolidated Financial Statements. In accordance with the Ind AS 108, Operating Segments, the Company has disclosed the segment information in the Consolidated Financial Statements.

### Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures'

#### a) Related Parties and their relationship

##### (i) Ultimate Holding Entities:

Ardian LBO Fund VI B

Assystem SA

##### (ii) Holding Company:

Expleo Technology Germany GmbH

##### (iii) Subsidiaries:

Name of Subsidiary	Country	% Holding as at March 31, 2023	% Holding as at March 31, 2022
Expleo Solutions Pte. Ltd.	Singapore	100%	100%
Expleo Solutions FZE	United Arab Emirates	100%	100%
Expleo Solutions UK Ltd.	United Kingdom	100%	100%
Expleo Solutions Inc.	United States of America	100%	100%



## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### (iv) Key Management Personnel (KMP):

Ralph Franz Gillessen - Non-Executive Director and Chairman  
Prof. K. Kumar - Deputy Chairman & Independent Director  
Balaji Viswanathan - Managing Director & CEO  
Prof. S. Rajagopalan - Independent Director  
Rajiv Kuchhal - Independent Director  
Lilian Jessie Paul - Independent Director  
Ulrich Bäumer - Independent Director  
Rajesh Krishnamurthy - Non-Executive Director (w.e.f. August 26, 2021)  
Prashant Eknath Bramhankar - Director (Non-Executive) (w.e.f. August 11, 2022) & Whole time Director & COO (w.e.f April 01, 2023)  
Desikan Narayanan - Chief Financial Officer (CFO)  
Phani Tangirala - Senior Director - Sales and Client Management

#### (v) Fellow Subsidiaries:

Expleo Netherlands B.V.  
Expleo Technology USA Inc.  
Expleo Group Austria GmbH  
Expleo Technology Egypt  
Expleo Technology UK Ltd.

#### (vi) Consolidating Company:

Expleo Group SAS

#### (vii) Entities under common control:

Expleo Technology Ireland Ltd.  
Expleo Engineering UK Ltd.  
Expleo Germany GmbH  
SQS Portugal LDA  
Expleo Technology Switzerland AG  
Expleo Services SASU  
Expleo Technology Nordic AB  
Group Expleo Technology Belgium  
Expleo Regions SASU  
Expleo France SASU  
Expleo Maroc SAS  
Expleo Finland OY  
Expleo South Africa International (PTY)  
Group Expleo Technology Belgium SPRL  
Expleo South Africa (PTY)  
Expleo South Africa Holding (PTY)  
Assystem Brime Engineering Consulting (Shanghai) Co Ltd  
Silver Atena GmbH

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

Expleo Iberia SL  
Expleo Romania SRL  
Expleo Plastic Solutions  
Expleo Talent International Management SA  
Expleo Canada  
Expleo Group SAS

#### (viii) Post Employment benefit plan:

Expleo Solutions Employees' Group Gratuity Scheme  
Expleo India Infosystems Private Limited EGGCLAS Gratuity Fund Account

#### b) Transactions with Related Parties

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Income</b>				
Income from the service rendered	Holding Company	Expleo Technology Germany GmbH	347.21	385.18
	Subsidiary	Expleo Solutions Pte. Ltd.	82.22	84.92
	Subsidiary	Expleo Solutions UK Ltd.	497.66	563.84
	Subsidiary	Expleo Solutions Inc.	760.08	234.83
	Fellow Subsidiaries	Expleo Technology UK Ltd.	244.04	227.23
	Fellow Subsidiaries	Expleo Netherlands B.V.	8.13	21.59
	Fellow Subsidiaries	Expleo Technology USA Inc.	71.90	65.29
	Fellow Subsidiaries	Expleo Group Austria GmbH	201.69	202.13
	Entity under common control	Expleo Technology Ireland Ltd.	578.82	435.08
	Entity under common control	Expleo South Africa (PTY)	34.06	-
	Entity under common control	Expleo Engineering UK Ltd.	69.78	59.74
	Entity under common control	Expleo Germany GmbH	149.78	81.57
	Entity under common control	SQS Portugal LDA	2.55	-
	Entity under common control	Expleo Technology Switzerland AG	(0.03)	4.49

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

## Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

## b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
	Entity under common control	Expleo Services SASU	77.63	54.73
	Entity under common control	Expleo Technology Nordic AB	1.27	-
	Entity under common control	Group Expleo Technology Belgium	17.19	0.32
	Entity under common control	Expleo Regions SASU	7.48	5.10
	Entity under common control	Silver Atena GmbH	37.21	1.35
	Entity under common control	Expleo Romania SRL	7.04	1.78
	Entity under common control	Expleo Talent International Management SA	0.20	
	Entity under common control	Expleo France SASU	352.23	242.31
	Entity under common control	Expleo Iberia SL	-	0.44
<b>Expenses</b>				
<b>Managerial remuneration</b>	Key Management Personnel	Balaji Viswanathan	23.46	21.75
	Key Management Personnel	Desikan Narayanan	8.00	7.89
	Key Management Personnel	Phani Tangirala	12.62	11.65
<b>Directors' Sitting Fees and Commission</b>	Key Management Personnel	Prof. K. Kumar	2.17	1.77
	Key Management Personnel	Prof. S. Rajagopalan	2.19	1.77
	Key Management Personnel	Rajiv Kuchhal	2.11	1.63
	Key Management Personnel	Ulrich Bäumer	1.71	1.33
	Key Management Personnel	Lilian Jessie Paul	1.95	-
<b>Expenses for services rendered</b>	Holding Company	Expleo Technology Germany GmbH	4.42	9.26
	Subsidiary	Expleo Solutions Pte. Ltd.	45.15	72.31

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
	Subsidiary	Expleo Solutions FZE	231.21	163.14
	Subsidiary	Expleo Solutions UK Ltd.	168.88	135.91
	Subsidiary	Expleo Solutions Inc.	301.44	97.24
	Fellow Subsidiaries	Expleo Technology Egypt	3.22	5.85
	Fellow Subsidiaries	Expleo Technology UK Ltd.	-	14.08
	Fellow Subsidiaries	Expleo Netherlands B.V.	-	2.14
	Entity under common control	Group Expleo Technology Belgium	165.22	91.74
	Entity under common control	Expleo France SASU	65.77	50.83
	Entity under common control	Expleo Romania SRL	2.31	-
	Entity under common control	Expleo Maroc SAS	0.86	-
	Entity under common control	Expleo Technology Ireland Ltd.	-	2.94
	Entity under common control	Expleo Services SASU	-	54.53
	Entity under common control	Expleo Finland OY	-	1.10
	Entity under common control	Expleo Engineering UK Ltd.	-	0.20
	Entity under common control	Expleo South Africa International (PTY)	-	6.15
	Entity under common control	Expleo Iberia SL	9.12	-
<b>Other Transactions</b>				
<b>Contribution paid to the Group Gratuity Scheme</b>	Post employment benefit plan	Expleo Solutions Employees' Group Gratuity Scheme	26.50	21.36
		Expleo India Infosystems Private Limited EGGCLAS Gratuity Fund Account	4.04	7.00

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

## Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

## b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Cost Reimbursement Received</b>	Holding Company	Expleo Technology Germany GmbH	16.93	9.80
	Fellow Subsidiary	Expleo Technology UK Ltd.	16.27	12.45
	Fellow Subsidiary	Expleo Group Austria GmbH	1.72	20.66
	Fellow Subsidiary	Expleo Technology USA Inc.	0.62	4.27
	Fellow Subsidiary	Expleo Netherlands B.V.	0.25	0.40
	Fellow Subsidiary	Expleo Technology Egypt	0.33	0.78
	Entity under common control	Expleo Technology Ireland Ltd.	1.88	13.74
	Entity under common control	Expleo France SASU	16.20	10.42
	Entity under common control	Expleo Germany GmbH	2.30	1.63
	Entity under common control	Expleo South Africa (PTY)	0.53	0.33
	Entity under common control	Expleo South Africa Holding (PTY)	-	0.75
	Entity under common control	Expleo Canada	-	0.07
	Entity under common control	Assystem Brime Engineering Consulting (Shanghai) Co Ltd	0.08	0.09
	Entity under common control	Silver Atena GmbH	0.23	0.08
	Entity under common control	Expleo Iberia SL	0.69	0.47
	Entity under common control	Expleo Maroc SAS	0.22	0.13
	Entity under common control	Expleo Romania SRL	2.77	1.60
	Entity under common control	Expleo Technology Nordic AB	0.17	0.13
	Entity under common control	Expleo Engineering UK Ltd	2.89	4.80
	Entity under common control	Expleo Services SASU	17.02	0.97

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Cost Reimbursement Paid</b>	Holding Company	Expleo Technology Germany GmbH	6.76	-
	Subsidiary	Expleo Solutions UK Ltd	301.14	167.93
	Subsidiary	Expleo Solutions Inc	4.58	20.34
	Fellow Subsidiary	Expleo Netherlands BV	0.25	-
	Fellow Subsidiary	Expleo Technology UK Ltd	9.28	(3.41)
	Entity under common control	Expleo France SASU	108.20	126.67
	Entity under common control	Expleo Regions SASU	-	0.33
	Entity under common control	Expleo Germany GmbH	-	4.50
	Entity under common control	Expleo Services SASU	40.99	7.85
	Entity under common control	Group Expleo Technology Belgium	18.85	21.99
	Entity under common control	Expleo Romania SRL	2.79	79.65
	Entity under common control	Expleo Plastic Solutions	-	363.48
	Entity under common control	Expleo Maroc SAS	-	3.07
	Entity under common control	Expleo Technology Ireland Ltd.	0.38	-
	Entity under common control	Expleo Engineering UK Ltd.	0.31	-
	Entity under common control	Expleo South Africa (PTY)	5.90	-
	Entity under common control	Expleo Iberia SL	2.39	43.37
Entity under common control	Expleo South Africa International (PTY)	1.82	-	

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

## Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

## b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Outstanding Balances</b>				
<b>Amounts Receivable from</b>				
	Holding Company	Expleo Technology Germany GmbH	70.95	132.77
	Subsidiary	Expleo Solutions UK Ltd.	60.78	186.00
	Subsidiary	Expleo Solutions Inc.	188.35	27.78
	Subsidiary	Expleo Solutions Pte Ltd	7.94	-
	Fellow Subsidiaries	Expleo Group Austria GmbH	123.21	67.43
	Fellow Subsidiaries	Expleo Technology UK Ltd.	3.04	23.67
	Fellow Subsidiaries	Expleo Netherlands B.V.	3.19	3.91
	Fellow Subsidiaries	Expleo Technology USA Inc	19.60	14.73
	Entity under common control	Expleo Technology Ireland Ltd.	63.49	60.47
	Entity under common control	Expleo Technology Switzerland AG	(0.03)	1.30
	Entity under common control	Expleo Germany GmbH	101.75	39.45
	Entity under common control	Expleo South Africa (PTY)	5.32	9.89
	Entity under common control	Expleo South Africa Holding (PTY)	(0.58)	-
	Entity under common control	Expleo France SASU	193.79	51.06
	Entity under common control	Expleo Services SASU	41.65	7.42
	Entity under common control	Assystem Brime Engineering Consulting (Shanghai) Co Ltd	0.28	0.10
	Entity under common control	Expleo Maroc SAS	0.39	0.13
	Entity under common control	Expleo Romania SRL	7.17	0.45
	Entity under common control	Expleo Technology Nordic AB	0.46	0.14
	Entity under common control	Group Expleo Technology Belgium SPRL	(0.06)	0.38
	Entity under common control	Expleo Engineering UK Ltd	22.54	1.07

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Amounts Payable to</b>	Entity under common control	SQS Portugal LDA	2.55	-
	Entity under common control	Expleo Regions SASU	7.75	-
	Entity under common control	Expleo Talent International Management SA	0.20	-
	Entity under common control	Silver Atena GmbH	12.16	-
	Entity under common control	Expleo Canada	(0.27)	-
	Holding Company	Expleo Technology Germany GmbH	0.23	0.41
	Subsidiary	Expleo Solutions Pte. Ltd.	-	14.15
	Subsidiary	Expleo Solutions FZE	106.73	87.11
	Fellow Subsidiaries	Expleo Netherlands B.V.	-	0.32
	Fellow Subsidiaries	Expleo Technology UK Ltd.	1.75	13.86
	Fellow Subsidiaries	Expleo Technology Egypt	2.12	6.21
	Fellow Subsidiaries	Expleo Canada	-	0.25
	Entity under common control	Group Expleo Technology Belgium	49.22	42.12
	Entity under common control	Expleo Technology Ireland Ltd.	0.03	0.91
	Entity under common control	Expleo Engineering UK Ltd.	-	0.18
	Entity under common control	Expleo Germany GmbH	-	3.88
	Entity under common control	Expleo France SASU	208.41	117.39
	Entity under common control	Expleo Services SASU	30.91	12.52
	Entity under common control	Expleo South Africa (PTY)	-	4.30
	Entity under common control	Expleo South Africa Holding (PTY)	-	0.55



## Notes to the Standalone Financial Statements for the year ended March 31, 2023

## Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

## b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			As at March 31, 2023	As at March 31, 2022 (Restated)
	Entity under common control	Expleo Romania SRL	-	20.40
	Entity under common control	Expleo Iberia SL	12.26	22.52
	Entity under common control	Expleo South Africa International (PTY)	0.33	1.38
	Entity under common control	Expleo Maroc SAS	0.01	2.51
	Entity under common control	Expleo Group SAS	3.40	1.61
	Entity under common control	Expleo Regions SASU	0.31	0.29
	Entity under common control	Silver Atena GmbH	-	0.41
	Entity under common control	Expleo Plastic Solutions	-	261.17
<b>Provision for expenses</b>	Key Management Personnel	Balaji Viswanathan	6.28	3.77
	Key Management Personnel	Desikan Narayanan	1.15	1.42
	Key Management Personnel	Phani Tangirala	0.81	0.74
	Key Management Personnel	Prof. K. Kumar	1.63	1.25
	Key Management Personnel	Prof. S. Rajagopalan	1.63	1.25
	Key Management Personnel	Rajiv Kuchhal	1.63	1.25
	Key Management Personnel	Ulrich Bäumer	1.63	1.25
	Key Management Personnel	Lilian Jessie Paul	1.63	1.25
<b>Investments</b>	Subsidiary	Expleo Solutions Pte. Ltd.	2.66	2.66
	Subsidiary	Expleo Solutions FZE	8.70	8.70
	Subsidiary	Expleo Solutions UK Ltd.	24.17	24.17
	Subsidiary	Expleo Solutions Inc.	4.62	4.62

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 43: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### Details of Compensation paid to Key Management Personnel (KMP)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Employee benefit expenses	Key Management Personnel	Short term benefits	44.08	41.29
		Post employment benefits*	-	-
		Other Long Term benefits*	-	-
		Share based payments	-	-
		<b>Total</b>	<b>44.08</b>	<b>41.29</b>

\* Remuneration to Key Managerial Personnel does not include charge for gratuity and compensated absences, as employee-wise breakup is not available.

#### Note 44: Merger

Approval to the Scheme of Amalgamation ("the Scheme") involving, Expleo India Infosystems Private Limited (EI IPL) (Transferor Company 1), Expleo Technologies India Private Limited (Transferor Company 2), Expleo Engineering India Private Limited (Transferor Company 3), and Silver Software Development Centre Private Limited (Transferor Company 4), all entities under common control, with Expleo Solutions Limited (ESL) (Transferee Company), and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 was accorded by the NCLT Chennai Bench vide its Order pronounced on February 15, 2023, by the NCLT Mumbai Bench vide its Order pronounced on February 17, 2023 and by the NCLT Bengaluru Bench vide its Order pronounced on February 28, 2023. Pursuant to the filing of the certified copies of the Order sanctioning the Scheme of the respective NCLTs with the Registrar of Companies (ROC) of the Transferor Companies on March 17, 2023 and March 31, 2023 respectively, and with ROC Chennai on April 1, 2023, the Scheme has come into operation from April 1, 2023, which shall be deemed to be the Effective Date, with the Appointed Date of April 1, 2022.

The objective of the merger was to consolidate all the Indian businesses of Expleo Group into a single entity to enhance business focus, improve synergies and focus on long term value creation, and to simplify the corporate structure through a Scheme of Amalgamation for merger.

Considering that the Transferor Companies are Entities under common control, as defined in Ind AS 103 - Business Combinations, the Company has accounted for the said business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 - Business Combinations, which mandates that, the financial information in the financial statements in respect of prior periods be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements i.e. from April 1, 2021, irrespective of the actual date of the business combination.

The carrying value of the assets and liabilities of the group entities as at April 1, 2021, as appearing in the audited Special Purpose Ind AS Financial Statements as at March 31, 2022, audited by us, have been incorporated in the books of account of the Company at their respective book values and inter-company balances if any, have been cancelled. The difference of Rs.1,213.51 Million between the

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 44: Merger (Contd.)

value of share capital issued and the amount of share capital of the Transferor Company has been transferred to Capital Reserve.

The Company is required to issue and allot 459 fully paid-up equity shares of face value Rs.10/- for every 10 fully paid-up equity shares of face value Rs.10/- held by the Shareholders of Transferor Company 1. Pursuant to this, total 5,267,254 fully paid-up equity shares of Rs.10/- each is required to be issued and allotted at Rs.837.19 per share to the eligible Shareholders of Transferor Company 1 on the record date i.e. April 24, 2023 as fixed by the Board of Directors. The equity shares of Transferor Companies 2, 3 and 4 shall stand cancelled and extinguished. These shares were allotted to the eligible shareholders of Transferor Company 1 on May 9, 2023.

Pursuant to the Scheme becoming effective, the authorised share capital of the Transferor Companies stands merged with the Company and accordingly, the authorised share capital of the Company stands increased from Rs.12,00,00,000 consisting of 1,20,00,000 equity shares of Rs.10/- each to Rs.32,70,00,000 consisting of 3,27,00,000 equity shares of Rs.10/- each.

#### Impact on Statement of Profit & Loss

(Rs. In Millions)

Particulars	For the Year Ended March 31, 2022	
	Published	Restated
Revenue from Operations	4,045.10	7,425.35
Profit before Tax	672.63	1,052.23
Profit after Tax	498.31	636.02

#### Impact on Balance Sheet

(Rs. In Millions)

Particulars	As at March 31, 2022	
	Published	Restated
Net Worth	2,089.69	3,483.49
Total Assets	2,911.86	5,410.10

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

### Note 45: Additional Regulatory requirements

S No.	Ratios	Numerator	Denominator	Current Year	Previous Year (Restated)
a)	Current Ratio	Total Current assets	Total Current Liabilities	3.56	2.34
b)	Debt-Equity Ratio	Debt consists of borrowings and lease liabilities	Total equity	0.06	0.04
c)	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	21.95	14.21
d)	Return on Equity Ratio (in %)	Profit for the year	Average total equity	30.01%	16.58%
e)	Inventory turnover ratio	Cost of Goods Sold	Average inventory	6.45	7.15
f)	Trade Receivables turnover ratio	Revenue from Operations	Average Trade receivables	4.54	3.68
g)	Trade payables turnover ratio	Cost of Material equipment and software licences + Other expenses	Average Trade payables	5.17	5.10
h)	Net capital turnover ratio	Revenue from Operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.24	2.87
i)	Net profit ratio (in %)	Profit for the year	Revenue from Operations	13.65%	8.57%
j)	Return on Capital employed (in %)	Profit before tax and Finance costs	Capital employed = Networth+ Lease liabilities + Deferred tax Liabilities	35.14%	29.63%
k)	Return on investment (in %)	Income generated from invested funds	Average Invested funds Income in treasury Investments	-	-

#### Foot Note: Reason for variance (exceeding 25%)

- (i) Current Ratio - Decrease in current liabilities towards payable to vendors has resulted into decrease in the ratio and also there is increase in balance of receivable from customers.
- (ii) Debt Equity Ratio - Increase is mainly due to improvement increase in Debt in current year on account of recognition of liability for new property.
- (iii) Debt Service Coverage Ratio- Increase in working capital utilisation in FY 2023 because of increase in operation.
- (iv) Return on Equity Ratio- Increase in current year profit.
- (v) Net profit ratio- Revenue growth during the year has resulted in improvement in ratio.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023

**Note 46 : Disclosure made in terms of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Particulars	Name of the Company	Rs. In Millions	
		Amount outstanding as on March 31, 2023	Maximum amount of outstanding during the year
<b>a) Loans and advances</b>			
i) Loans and advances in nature of loans made to Subsidiary Company	None	Nil	Nil
ii) Loans and advances in nature of loans made to Associate Company	None	Nil	Nil
iii) Loans and advances in the nature of loans made to firms/ companies in which directors of the Company are interested	None	Nil	Nil
<b>b) Investment by the loanee in the shares of parent Company and subsidiary Company, when the Company has made a loan or advance in the nature of loan.</b>	None	Nil	Nil

### Note 47: Disclosure under Section 186(4) of the Companies Act, 2013

Details of investments made are disclosed under Note 5. There are no loans or guarantees given by the Company.

### Note 48: Dividend

The Board of Directors of the Company have recommended a Final Dividend of Rs.5/- per equity share of Rs.10/- each. (50%)

## Signatures to the Notes to the Standalone Financial Statements

### For and on behalf of the Board

**RALPH FRANZ GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 25, 2023

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 25, 2023

**DESIKAN NARAYANAN**

Chief Financial Officer

Place : Chennai, India

Date : May 25, 2023

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Chennai, India

Date : May 25, 2023

## INDEPENDENT AUDITOR'S REPORT

To the Members of Expleo Solutions Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of **Expleo Solutions Limited** ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, 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 a summary of significant accounting policies ("the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of the consolidated profit, the consolidated comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI"), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 42 to the Consolidated Financial Statements of the Company in respect of the accounting of the Scheme of Amalgamation involving, Expleo India Infosystems Private Limited (EI IPL) (Transferor Company 1), Expleo Technologies India Private Limited (Transferor Company 2), Expleo Engineering India Private Limited (Transferor Company 3), and Silver Software Development Centre Private Limited (Transferor Company 4), all entities under common control, with the Company from the Appointed Date of April 1, 2022, as approved by the respective transferor companies' National Company Law Tribunals and by the National Company Law Tribunal of Chennai vide its Order pronounced on February 15, 2023. The certified copies of the Orders of the respective NCLTs sanctioning the Scheme with the Registrar of Companies (ROC) of the Transferor Companies has been filed on March 17, 2023 and March 31, 2023 respectively, and with ROC Chennai on April 1, 2023. The Scheme has hence come into operation from April 1, 2023, which shall be deemed to be the Effective Date, with the Appointed Date of April 1, 2022.

The accounting treatment of the Scheme has been given effect to as per the requirements of Appendix C of Ind AS 103 - Business Combinations, with effect from April 1, 2021, which is the beginning of the preceding period presented. Accordingly, the figures for the year ended March 31, 2022 have been restated to give effect of the aforesaid Scheme. The aforesaid Note 42 also describes in detail the impact of the business combination on the Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.

**Key Audit Matters**

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

Key Audit Matter Description	Our Response
<p><b>1. Revenue Recognition – Accuracy of recognition of revenue for fixed-price contracts on percentage of completion method involving critical estimates.</b></p>	
<p>The Group derives revenue from software services which involve primarily delivering software validation and verification services to the banking, financial services and insurance industry and software development and engineering services worldwide. Arrangements with customers include fixed-price contracts, revenue whereof is recognised on proportionate completion method on the basis of the work completed.</p> <p>The use of proportionate completion method requires the Group to estimate the efforts or costs expended to date as a proportion to total efforts or costs to be expended.</p> <p>These estimates of efforts or costs to be expended has a high inherent uncertainty which is based on the judgements made by the Management in ascertaining the costs and the efforts required to complete the remaining contractual performance obligations. In view of the same, there is a risk of revenue for the year being misstated due to incorrect recognition of accrued or deferred revenue as a result of using overstated / understated estimates of the costs and efforts to complete the remaining contractual performance obligations.</p> <p>(Refer Note 2(b)(i) and Note 2(c) to the Consolidated Financial Statements)</p>	<p>Our principle procedures included:</p> <p>Assessment of the appropriateness of the Group's revenue recognition policy for fixed-price contracts to ensure that it meets the recognition and measurement principles enumerated in Ind AS 115 including disclosures in the financial statements.</p> <p>Obtained an understanding of the process and related controls for appropriate recognition of revenue. Evaluating the design and implementation and testing the operating effectiveness of such controls over the revenue recognition and measurement criteria.</p> <p>Tested fixed price contracts to assess whether the revenues recognised to date were appropriate; this work included reviewing stage of completion by reference to post year end data and understanding budget versus actual variances where applicable and the impact on revenue to be recognised by reference to the stage of completion.</p> <p>We performed cut-off testing for a sample of revenue transactions around the period end date, to check that they were recognised in the appropriate period.</p> <p>Assessing the adequacy of the Group's disclosures about the degree of estimation involved in revenue recognition.</p>

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report namely, the Chairman's Overview, the Performance Highlights – Decade at a Glance (on a consolidated basis), the Director's Report including annexures to the Director's Report, the Management Discussion and Analysis, Business Responsibility and Sustainability Report and the Corporate Governance Report etc., but does not include the Consolidated Financial Statements, the Standalone Financial Statements and our auditor's reports thereon. The Directors' Report and the Business Responsibility and Sustainability Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above 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. We have nothing to report in this regard, other than Directors' Report and the Business Responsibility and Sustainability Report.

When we read the Directors' Report and the Business Responsibility and Sustainability Report forming part of the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and review the steps taken by the Management to communicate with those in receipt of the other information, if previously issued, to inform them of the revision.

### **Responsibilities of the 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 terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the 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 the Group.

### **Auditor's 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- (a) 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.

- (b) 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 financials statements in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- (d) Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) 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.
- (f) 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 the entities included in the Consolidated Financial Statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of

those books, except that we have been represented by the Company that the Company is in process of complying with the requirement of maintaining server(s) physically located in India for back-up of books of account on a daily basis as required pursuant to amendment in Companies (Accounts) Rules, 2014 on August 5, 2022.

- (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, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 38 to the Consolidated Financial Statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
  - iv. (a) The Management has represented to us 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 to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Holding Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

With respect to the matters specified in paragraphs 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Consolidated Financial Statements report, according to the information and explanations given to us, we report that CARO is applicable only to the Holding Company as none of the companies included in the Consolidated Financial Statements are Indian Subsidiaries to whom CARO is applicable. We have not reported any qualification or adverse remark in the CARO report of the Holding Company.

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration Number 104607W/W100166**

**FARHAD M. BHESANIA**  
**PARTNER**  
**Membership Number 127355**  
**UDIN: 23127355BGWIFV6329**

**Place:** Chennai  
**Date:** May 25, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Consolidated Financial Statements for the year ended March 31, 2023.

### **Report on the Internal Financial Controls with reference to financial statements 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 financial statements of **Expleo Solutions Limited** ("the Holding Company"), as at March 31, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended and as on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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 Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, 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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to financial statements.

#### **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 Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of

Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated 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.

**Opinion**

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the ICAI.

**For KALYANIWALLA & MISTRY LLP****CHARTERED ACCOUNTANTS****Firm Registration Number 104607W/W100166****FARHAD M. BHESANIA****PARTNER****Membership Number 127355****UDIN: 23127355BGWIFV6329****Place:** Chennai**Date:** May 25, 2023

## Consolidated Balance Sheet as at March 31, 2023

Particulars	Note No.	Rs. In Millions	
		As at March 31, 2023	As at March 31, 2022 (Restated) (Refer Note 42)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	1,152.66	1,057.84
Intangible Assets	3	267.36	25.24
Capital work-in-progress	4	60.62	60.62
<b>Financial Assets</b>			
(i) Other Non-Current Financial Assets	5	41.55	28.39
Deferred Tax Assets (Net)	6	-	38.32
Income Tax Assets (Net)	7	93.58	74.64
Other Non-Current Assets	8	158.65	169.92
<b>Total Non-Current Assets</b>		<b>1,774.42</b>	<b>1,454.97</b>
<b>Current Assets</b>			
Inventories	9	-	22.70
<b>Financial Assets</b>			
(i) Trade Receivables	10	2,394.10	1,737.13
(ii) Cash and Cash Equivalents	11	1,525.31	1,730.80
(iii) Bank Balances other than (ii) above	12	31.78	64.94
(iv) Loans	13	466.11	192.68
(v) Other Current Financial Assets	14	426.04	180.05
Other Current Assets	15	684.52	556.99
<b>Total Current Assets</b>		<b>5,527.86</b>	<b>4,485.29</b>
<b>TOTAL ASSETS</b>		<b>7,302.28</b>	<b>5,940.26</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	155.20	155.20
Other Equity	17	5,147.12	3,790.58
<b>Equity attributable to Shareholders of the Company</b>		<b>5,302.32</b>	<b>3,945.78</b>
Non-Controlling interests		-	-
<b>Total Equity</b>		<b>5,302.32</b>	<b>3,945.78</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	18	3.93	4.57
(ii) Lease Liabilities		218.76	105.62
Deferred Tax Liabilities	6	6.17	-
Provisions	19	93.75	138.38
<b>Total Non-Current Liabilities</b>		<b>322.61</b>	<b>248.57</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	20	0.78	0.78
(ii) Lease liabilities		39.11	36.12
(iii) Trade Payables	21		
(A) Total outstanding dues of micro enterprises and small enterprises ; and		1.09	4.01
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		637.30	724.38
(iv) Other Current Financial Liabilities	22	687.93	588.60
Other Current Liabilities	23	133.97	262.57
Provisions	24	30.23	40.32
Current Tax Liabilities (Net)	25	146.94	89.13
<b>Total Current Liabilities</b>		<b>1,677.35</b>	<b>1,745.91</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,302.28</b>	<b>5,940.26</b>
<b>Significant Accounting Policies</b>	2		

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our Report of even date.

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS**

**Firm Regn. No. 104607W/W100166**

**FARHAD M. BHESANIA**

Partner

Membership Number 127355

Place : Chennai, India

Date : May 25, 2023

Signatures to the Consolidated Balance Sheet and Notes to Consolidated Financial Statements

**For and on behalf of the Board**

**RALPH FRANZ  
GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 25, 2023

**BALAJI VISWANATHAN DESIKAN NARAYANAN S. SAMPATH KUMAR**

Managing Director & CEO Chief Financial Officer

DIN : 06771242

Place : Chennai, India

Date : May 25, 2023

Place : Chennai, India

Date : May 25, 2023

Company Secretary &  
Compliance Officer

ICSI Membership No. F3838

Place : Chennai, India

Date : May 25, 2023

## Consolidated Statement of Profit and Loss for the year ended March 31, 2023

Rs. In Millions

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated) (Refer Note 42)
Revenue from Operations	26	9,032.95	7,425.35
Other Income	27	161.09	60.35
<b>Total Income</b>		<b>9,194.04</b>	<b>7,485.70</b>
<b>EXPENSES</b>			
Employee Benefits Expense	28	4,798.88	3,840.36
Cost of material consumed and other direct costs	29	73.19	81.14
Finance Cost	30	22.56	12.12
Depreciation and Amortisation Expense	3	278.84	187.64
Other Expenses	31	2,159.51	2,263.37
<b>Total Expenses</b>		<b>7,332.98</b>	<b>6,384.63</b>
<b>Profit Before Tax</b>		<b>1,861.06</b>	<b>1,101.07</b>
<b>Tax Expense</b>			
Current Tax	6 (b)	482.98	272.69
Deferred Tax Charge	6 (a)	39.20	151.60
<b>Profit for the Year</b>		<b>1,338.88</b>	<b>676.78</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plan		22.95	(4.77)
<b>Income tax relating to items that will not be reclassified to profit or loss</b>	6 (c)	(5.29)	1.64
<b>Items that will be reclassified to profit or loss</b>		-	-
<b>Income tax relating to items that will be reclassified to profit or loss</b>		-	-
<b>Total Comprehensive Income for the Year</b>		<b>1,356.54</b>	<b>673.65</b>
<b>Attributable to:</b>			
Owners of the Parent		1,356.54	673.65
Non-Controlling interests		-	-
<b>Of the Total Comprehensive Income above, Profit for the year attributable to :</b>			
Owners of the Parent		1,338.88	676.78
Non-Controlling interests		-	-
<b>Of the Total Comprehensive Income above, Comprehensive Income attributable to :</b>			
Owners of the Parent		17.66	(3.13)
Non-Controlling interests		-	-
<b>Earnings per Equity Share (Face value Rs.10/- per share)</b>			
Basic (Rs.)	32	86.27	43.61
Diluted (Rs.)	32	86.27	43.61
<b>Significant Accounting Policies</b>	2		

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our Report of even date.

Signatures to the Consolidated Statement of Profit & Loss and Notes to Consolidated Financial Statements

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm Regn. No. 104607W/W100166

**For and on behalf of the Board**

**FARHAD M. BHESANIA**

Partner

Membership Number 127355

Place : Chennai, India

Date : May 25, 2023

**RALPH FRANZ**

**GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 25, 2023

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 25, 2023

**DESIKAN NARAYANAN**

Chief Financial Officer

Place : Chennai, India

Date : May 25, 2023

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Chennai, India

Date : May 25, 2023

## Consolidated Statement of Changes in Equity for the year ended March 31, 2023

### (a) Equity Share Capital

		Rs. In Millions		
Balance as at April 1, 2021 (Restated)	Changes in equity share capital due to Prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022 (Restated) (Refer Note 42)
155.20	-	155.20		155.20

		Rs. In Millions		
Balance as at April 1, 2022 (Restated) (Refer Note 42)	Changes in equity share capital due to Prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
155.20	-	155.20	-	155.20

### (b) Other Equity

Particulars	Reserves and Surplus						Non-Controlling Interest	Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Employee Stock Compensation Reserve	General Reserve	Retained Earnings		
Balance as at April 1, 2021	4.61	(1,206.21)	6.69	1.31	251.82	4,058.71	-	3,116.93
Profit for the year	-	-	-	-	-	676.78	-	676.78
Remeasurement of post employment benefit obligation, net of tax (OCI)	-	-	-	-	-	(3.13)	-	(3.13)
<b>Total Comprehensive Income for the Year</b>	-	-	-	-	-	<b>673.65</b>	-	<b>673.65</b>
Transfer to General Reserves	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>4.61</b>	<b>(1,206.21)</b>	<b>6.69</b>	<b>1.31</b>	<b>251.82</b>	<b>4,732.36</b>	<b>-</b>	<b>3,790.58</b>



## Consolidated Statement of Changes in Equity for the year ended March 31, 2023

### (b) Other Equity (Contd.)

Rs. In Millions

Particulars	Reserves and Surplus						Attributable to owners of the parent	Non-Controlling Interest	Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Employee Stock Compensation Reserve	General Reserve	Retained Earnings			
Profit for the year	-	-	-	-	-	1,338.88	1,338.88	-	1,338.88
Remeasurement of post employment benefit obligation, net of tax (OCI)	-	-	-	-	-	17.66	17.66	-	17.66
<b>Total Comprehensive Income for the Year</b>	-	-	-	-	-	<b>1,356.54</b>	<b>1,356.54</b>	-	<b>1,356.54</b>
Transfer to General Reserves	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>4.61</b>	<b>(1,206.21)</b>	<b>6.69</b>	<b>1.31</b>	<b>251.82</b>	<b>6,088.90</b>	<b>5,147.12</b>	-	<b>5,147.12</b>

As per our Report of even date.

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 104607W/W100166**

Signatures to the Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements

**For and on behalf of the Board**

**FARHAD M. BHESANIA**  
Partner

**Membership Number 127355**  
Place : Chennai, India  
Date : May 25, 2023

**RALPH FRANZ GILLESSEN**  
Chairman

**DIN : 05184138**  
Place : Cologne, Germany  
Date : May 25, 2023

**BALAJI VISWANATHAN**  
Managing Director & CEO

**DIN : 06771242**  
Place : Chennai, India  
Date : May 25, 2023

**DESIKAN NARAYANAN**  
Chief Financial Officer

Place : Chennai, India  
Date : May 25, 2023

**S. SAMPATH KUMAR**  
Company Secretary & Compliance Officer

**ICSI Membership No. F3938**  
Place : Chennai, India  
Date : May 25, 2023

## Consolidated Statement of Cash Flows for the year ended March 31, 2023

Particulars	Rs. In Millions	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated) (Refer Note 42)
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,861.06	1,101.07
Adjustment for:		
Investment knock off pursuant to scheme of Merger	-	(1,336.11)
Depreciation and Amortization Expense	278.84	187.64
(Profit) on sale of Property, Plant and Equipment	(8.47)	(0.80)
Unrealized forex exchange loss/ (gain) (Net)	17.01	(5.58)
Interest income	(39.53)	(23.93)
Finance Cost	22.56	12.12
Allowance for credit loss	11.18	0.29
Unwinding of discount on security deposits	(0.92)	(0.80)
<b>Operating profit/ (loss) before working capital changes</b>	<b>2,141.73</b>	<b>(66.10)</b>
Adjustment for:		
(Increase)/ Decrease in Trade Receivables	(703.19)	412.39
(Increase)/ Decrease in Non Current Financial Assets	(12.24)	4.11
(Increase)/ Decrease in Other Current Financial Assets	(242.19)	105.33
Decrease/ (Increase) in Inventory	22.70	(22.70)
(Increase) in Other Current Assets	(120.29)	(409.36)
Decrease in Other Non-Current Assets	11.27	13.30
(Decrease)/ Increase in Trade Payables	(74.40)	505.90
(Increase)/ Decrease in Loan	(273.43)	2.98
Increase/ (Decrease) Other Current Financial Liabilities	124.07	(13.35)
Decrease in Other Current Liabilities	(128.29)	(40.49)
(Decrease)/ Increase in Provisions	(54.72)	23.51
<b>Cash generated from operations</b>	<b>691.02</b>	<b>515.52</b>
Direct Taxes paid (net of refunds)	(460.21)	(273.17)
<b>Net cash flow from operating activities (A)</b>	<b>230.81</b>	<b>242.35</b>
<b>B. Cash flow from investing activities</b>		
Investment in bank deposit having maturity greater than 3 months	(1,885.93)	668.07
Proceeds from maturity of Fixed Deposits	1,919.09	(399.52)
Payment for Purchase of Property, Plant and Equipment (Including Capital work in progress and Intangible Assets)	(441.95)	(254.28)
Proceeds from sale of Property, Plant and Equipment	9.38	3.47
Interest received on deposit with banks/ loan to a related party	39.53	23.93
<b>Net cash flow (used in)/ from investing activities (B)</b>	<b>(359.88)</b>	<b>41.67</b>
<b>C. Cash flow from financing activities</b>		
Lease liability paid	(51.46)	(94.34)
Proceeds from Borrowings	-	4.57
Repayment of Borrowings	(0.64)	(5.24)
Interest on Borrowings paid	(1.27)	(8.15)
Interest paid on Lease liability	(12.34)	(0.48)
<b>Net cash (used in) financing activities (C)</b>	<b>(65.71)</b>	<b>(103.64)</b>
<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A + B + C)</b>	<b>(194.78)</b>	<b>180.38</b>
Effect of changes in exchange rate on Cash and Cash Equivalents	(10.71)	(8.01)
Cash & Cash Equivalents at the beginning of the year	1,730.80	1,558.43
<b>Cash and Cash Equivalents at the end of the year (Refer Note 11)</b>	<b>1,525.31</b>	<b>1,730.80</b>

**Notes:**

- The above Consolidated Statement of Cash Flows includes Rs. 20.11 Millions spent (Previous Year: Rs.18.98 Millions) towards Corporate Social Responsibility (CSR) Activities.
- The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 "Statement of Cash Flows".
- Reconciliation of Liabilities arising from Financing Activities:

	Rs. In Millions			
	As at April 01, 2022 (Restated)	Changes as per Statement of Cash flows	Non-Cash Changes/ Fair Value Changes	As at March 31, 2023
Long Term Borrowings	4.57	(0.64)	-	3.93
Short Term Borrowings	0.78	-	-	0.78
	<b>5.35</b>	<b>(0.64)</b>	-	<b>4.71</b>
	As at April 01, 2021 (Restated)	Changes as per Statement of Cash flows	Non-Cash Changes/ Fair Value Changes	As at March 31, 2022 (Restated)
Long Term Borrowings	-	4.57	-	4.57
Short Term Borrowings	6.02	(5.24)	-	0.78
	<b>6.02</b>	<b>(0.67)</b>	-	<b>5.35</b>

- The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our Report of even date.

**For KALYANIWALLA & MISTRY LLP**

**For and on behalf of the Board**

**CHARTERED ACCOUNTANTS**

**Firm Regn. No. 104607W/W100166**

**FARHAD M. BHESANIA**

**RALPH FRANZ  
GILLESSEN**

**BALAJI VISWANATHAN  
DESIKAN NARAYANAN**

**S. SAMPATH KUMAR**

**Partner**

**Chairman**

**Managing Director & CEO**

**Chief Financial Officer**

**Company Secretary &  
Compliance Officer**

**Membership Number 127355**

**DIN : 05184138**

**DIN : 06771242**

**ICSI Membership No. F3838**

Place : Chennai, India

Place : Cologne, Germany

Place : Chennai, India

Place : Chennai, India

Place : Chennai, India

Date : May 25, 2023

Date : May 25, 2023

Date : May 25, 2023

Date : May 25, 2023

Date : May 25, 2023

**Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

**Note 1:**

**Company Overview:**

Expleo Solutions Limited (“Expleo Solutions” or “the Company”), incorporated on June 8, 1998 as a private Limited company was converted into a public Limited company with effect from August 19, 2008. The Company made its Initial Public Offering (IPO) of its Equity Shares on September 24, 2009 (issue open date) and shares under IPO were allotted on October 14, 2009. The Company’s shares were listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited with effect from October 26, 2009.

The Company is a subsidiary of Expleo Technology Germany GmbH, Germany.

The Company is an India based software service provider primarily delivering Software Validation and Verification Services, Software Development and Engineering consultancy services related to BFSI, Aerospace, Automotive, Defence and Rail Industry. The Company has invested in four wholly owned subsidiaries in Singapore, USA, UK and UAE for market development and service delivery in the respective regions.

<b>Name of the Subsidiary</b>	<b>Country of Incorporation</b>	<b>Percentage of ownership</b>
Expleo Solutions Pte. Ltd., Singapore	Singapore	100%
Expleo Solutions UK Ltd., UK	UK	100%
Expleo Solutions Inc., USA	USA	100%
Expleo Solutions FZE, UAE	UAE	100%

Expleo Solutions Limited together with its subsidiaries is hereinafter referred to as “the Group”.

The Financial Statements of the Group for year ended March 31, 2023 were authorized for issue in accordance with the resolution of the Board of Directors on May 25, 2023.

**Note 2:**

**Significant Accounting Policies:**

**a) Basis of preparation of financial statements:**

These Consolidated Financial Statements have been prepared in accordance with the Indian

Accounting Standards (“Ind AS”) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other applicable provisions of the Act.

**i) Basis of presentation of financial statements:**

The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity have been prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013. The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 Statement of Cash Flows. The disclosure requirements with respect to items of the Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are presented by way of notes forming part of the Consolidated Financial Statements.

The Group has considered a period of twelve months as the operating cycle for classification of assets and liabilities as current and non-current.

**ii) Principles of consolidation:**

The Company consolidates entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, or is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity’s returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The Financial Statements of the Subsidiaries are consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealized profits/ losses in full.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

The Consolidated Financial Statements are prepared using uniform accounting policies for transactions and other events in similar circumstances.

The Financial Statements include figures pertaining to the Head Office and Branches/ Places of Business located at Madras Export Processing Zone - Chennai, Belgium, Phillipines, Israel and Malaysia and the following wholly owned subsidiaries:

1. Expleo Solutions Pte. Ltd., Singapore
2. Expleo Solutions Inc., USA
3. Expleo Solutions UK Ltd., UK
4. Expleo Solutions FZE, UAE

### iii) Basis of Measurement:

These Consolidated Ind AS Financial Statements have been prepared based on accrual and going concern principles following the historical cost convention except for the following financial assets and liabilities which have been measured at fair value:

- a. Certain financial assets and liabilities measured at fair value
- b. Defined benefit plans - plan assets and share based payments measured at fair value.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

### b) Critical Accounting Estimates:

While preparing these Ind AS compliant Consolidated Financial Statements, the management has made certain estimates and assumptions that require subjective & complex judgments. These judgments affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosures of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments as actual results may differ from

these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

Judgments, estimates and assumptions are required for:

#### i) Revenue Recognition:

The Group uses percentage of completion method for its fixed-bid contracts. The use of percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion to total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

#### ii) Determination of the estimated useful lives and residual values of tangible assets:

Useful lives of tangible assets are based on the life prescribed in the Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management's technical evaluation taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacements. Assumptions are also made when the Group assesses whether an asset may be capitalised and which component of the cost of the asset may be capitalised.

The estimation of the residual value of the asset is based on the management's judgment about the condition of such asset at the point of sale of the asset.

#### iii) Recognition and measurement of the defined benefit obligation:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

assumptions include discount rate, trends in salary escalation, attrition rate and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

### iv) Recognition of deferred tax assets:

Deferred Tax Assets and Liabilities are recognised for the future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary difference, depreciation carry forwards and unused tax credits could be utilised.

### v) Leave Encashment:

The Group has a policy on the compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

### vi) Income Tax:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

### vii) Expected credit losses on financial assets:

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about the risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history of collections, customer's credit-worthiness,

existing market conditions as well as forward looking estimates at the end of each reporting period.

### viii) Provisions and Contingent Liabilities:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

### ix) Discounting of long term financial assets/liabilities:

All financial assets/liabilities are required to be measured at fair value on initial recognition. In case of financial assets/liabilities which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

### c) Revenue Recognition:

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The significant accounting policies related to revenue recognition are as under :

#### Software service income:

The Group has applied the guidance in Ind AS 115 'Revenue from Contracts with Customers' by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software testing services as distinct performance obligations. The transaction price as allocated to each distinct performance obligation is defined in the contract with the customer. In the case of fixed bid contracts, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses and the Group's performance creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

- i. The Group derives revenue from software services which involves primarily delivering software validation and verification services to the banking, financial services and insurance industry worldwide. Arrangements with customers are on a fixed bid or a time and material basis.
- ii. Revenue in respect of time and material contracts is recognized based on time/efforts spent and/or billed to clients as per the terms of specific contracts as there is a direct relationship between input and productivity.
- iii. Revenue from fixed bid contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (which the Group refers to as Unbilled Revenue) while invoicing in excess of revenues are classified as contract liabilities (which the Group refers to as Unearned Revenue).

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within the contractually agreed credit period.

- iv. The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.
- v. Revenue includes reimbursement of expenses wherever billed as per the terms of the contracts.
- vi. Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.
- vii. The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.
- viii. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

### d) Interest Income:

Interest Income is recognised using the effective interest rate method.

### e) Dividend Income:

Dividend income is recognized when the right to receive payment is established.

### f) Other Income:

Other Income is recognized when the right to receive is established.

### g) Government Grants:

Grants from the government are recognised when there is reasonable assurance that:

- (i) the Group will comply with the conditions attached to them; and
- (ii) the grant will be received.

### h) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing Costs relating

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

to acquisition of qualifying assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on assets is provided on the straight line method on the basis of useful life which is equal to or lower than the useful life prescribed in Schedule II of the Companies Act, 2013 for all the assets. The useful life is determined on the management's technical evaluation.

Asset description	Useful life (in years)
Building	20 years
Plant and equipment	3 years
Computer equipment	3 years
Furniture and fittings	3 years
Office Equipment	3 years
Vehicles	4 years
Temporary Partitions	Fully Depreciated
Leasehold Rights and Improvements	Tenure of lease period or 10 years, whichever is less
Residual Value is considered to be NIL.	

In the view of the management, property, plant and equipment individually costing Rs.5,000/- or less have a useful life of one year and are depreciated in full in the year of acquisition.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or

retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less costs to sell.

### i) Intangible Assets:

Intangible Assets are stated at cost less accumulated amortization and impairment losses, if any. Intangible Assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end. If the estimated useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. The costs which can be capitalized include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss, when the asset is derecognized.

Amortization rates currently applied are as follows:

Asset description	Useful life (in Years)
Computer Software	3 years
Software tools	5 years
Customer Contracts	4 Years
Non-Compete Fees	3 Years
IP Rights	4 Years
Residual value is considered to be NIL	

In the view of the management, intangible assets individually costing Rs.5000/- or less

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

have a useful life of one year and are hence fully amortised in the year of acquisition.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible assets under development”.

### j) Capital work-in-progress

Projects under which tangible assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable borrowing costs. Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use

### k) Inventories

Inventories are valued at lower of cost and net realisable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

### l) Financial Instruments:

#### i) Initial Recognition:

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

#### ii) Subsequent Measurement:

##### a) Non-derivative financial instruments:

##### (i) Financial instruments measured at amortized cost:

A financial instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The computation of amortized cost is done using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

##### (ii) Financial Assets at fair value through Other Comprehensive Income:

A financial instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in Other Comprehensive Income.

##### (iii) Financial Assets at fair value through profit and loss:

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

##### (iv) Financial Liabilities:

Financial Liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### b) Share Capital:

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary equity shares are recognized as a deduction from equity, net of any tax effects.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### c) Derivatives:

Derivatives include foreign currency forward contracts. It is measured at fair value. Fair value of foreign currency forward contracts are determined using the fair value reports provided by the respective banks.

### iii) Derecognition of financial instruments:

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial assets and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### iv) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

### m) Impairment:

#### i) Financial Assets:

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in the Statement of Profit and Loss.

#### ii) Non-financial assets:

#### Intangible assets and property, plant and equipment:

Intangible assets and property, plant and equipment are evaluated for recoverability

whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are required to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

### n) Fair value of financial instruments:

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to Note 34 in the Consolidated Financial Statements for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **o) Provisions and Contingencies:**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

### **Onerous Contracts:**

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent Liabilities are disclosed in the notes to the Consolidated Financial Statements. A contingent liability is a possible obligation that arises due to past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent assets are not recognised but their existence is disclosed in the Consolidated Financial Statements.

### **p) Foreign Currency:**

#### **Functional and Presentation Currency:**

The functional currency of the Group is the Indian rupee. These Consolidated Financial Statements are presented in Indian Rupees.

#### **Transactions and Translations:**

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date of the transaction.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which transaction is settled. Exchange differences on account of conversion of foreign operations are also recognized as income or as expense in the year in which they arise. Revenue and expense items pertaining to foreign operations denominated in foreign currencies are translated into the relevant functional currencies using the monthly weighted average exchange rate of the respective currencies. The gains or losses resulting from such transactions are included in exchange loss/ gain under the head "Other Expenses" or under the head "Other Income" respectively in the Statement of Profit and Loss.

### q) Earnings per share:

Basic earnings per equity share are computed by dividing the net profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### r) Income taxes:

Income tax expense comprises of current and deferred income tax. Income tax expense is recognized in the Statement of Profit and Loss for items recognized in the Statement of Profit and Loss. Income tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in Other

Comprehensive Income (OCI) or in Equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

### Current Tax:

Current income tax for current and prior periods (including Minimum Alternate Tax (MAT)) is recognized at the amount expected to be paid or recovered from the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that have been enacted or substantially enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### Deferred Tax:

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date. A deferred

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

### s) Employee Benefits:

#### i) Short term employee benefits:

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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 obligation can be estimated reliably.

#### Leave Encashment:

The Group pays leave encashment on short term basis for onsite employees for the period of leave they are entitled to during their onsite stay.

#### ii) Post Employment obligations:

##### (a) Defined contribution plans:

Employee benefits in the form of Provident Fund/ Social Security payments are defined contribution schemes and contributions made are charged to the Statement of Profit and Loss for the year. The Group has no further obligations under these plans beyond its periodic contributions. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

##### (b) Defined benefit plans:

###### Gratuity:

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group.

Liability with regard to the gratuity plan is determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability.

Re-measurement of the net defined benefit liability which comprise actuarial gains and losses are recognised immediately in Other Comprehensive Income. Net interest expense / (income) on the net defined liability / (asset) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

#### iii) Long Term Employee Benefits:

The Group's net obligation in respect of long term employee benefits for offshore employees, being long term compensated absences is the amount of future benefits that employees have earned in return for the service in the current and prior periods. The liability is determined by an independent actuary, using Projected Unit Control Method. Actuarial gains and losses are recognised immediately as income or expense in the Statement of Profit and Loss. Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

#### t) Share based compensation:

The Group recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 'Share-Based Payment'. The estimated fair value of awards is charged to income on a straight line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

to share options outstanding account. The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

### u) Statement of Cash Flows:

The Statement of Cash Flows has been prepared under the 'Indirect method' as set out in Ind AS 7 'Statement of Cash Flows', whereby profit for the period is adjusted for the effect of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Cash and cash equivalents in the Statement of Cash Flows comprise cash at bank and in hand and fixed deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### v) Dividends:

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the respective Company's Board of Directors.

### w) Leases:

#### Where the Group is a lessee:

Effective April 01, 2019, the Group adopted Ind AS 116 "Leases", using modified retrospective approach. Accordingly, the comparatives have not been retrospectively restated. The effect of adoption of Ind AS 116 was insignificant. Previously, the Group recognised operating lease expense on a straight-line basis over the term of the lease.

On transition, the Group has recognised new assets and liabilities for its operating leases of premises.

- i) Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at April 01, 2019.
- (ii) Right-of-use assets are measured at an amount equal to the lease liability,

adjusted by the amount of any prepaid or accrued lease payments.

- (iii) The nature of expenses related to those leases changed from lease rent in previous periods to
  - (a) amortization charge for the right-to-use asset, and
  - (b) interest accrued on lease liability.
- (iv) The Group used a practical expedient when applying Ind AS 116. The Group did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application. The Lease payments associated with these are recognised as an expense on a straight line basis over the lease term.

### x) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Group operations predominantly relate to software validation and verification services relating to banking, financial services and insurance industry and accordingly, this is the only primary reportable business segment. The segment sales information is provided on a geographical basis classified as India and the rest of the world.

### y) Recent accounting pronouncements - Standards issued but not yet effective:

Through a Notification dated March 23, 2023, the Ministry of Corporate Affairs ("MCA") amended the Companies (Indian Accounting Standards) Rules 2015 namely the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are effective from April 1, 2023. Following are the key amendments:

### Ind AS -1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2023****Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated financial statements.

**Ind AS 12- Income Taxes**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences in case of right-of-use assets, lease liabilities, decommissioning, restoration, similar liabilities and the corresponding amounts recognised as

part of the cost of the related asset. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated financial statements.

**Ind AS 41 – Annual Improvements to Ind AS (2022)**

The amendment removes the requirements in Ind AS 41 for entities to exclude cash flows for taxation and measuring fair values. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair value measurements. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated financial statements.

Notes to the Consolidated Financial Statements as at March 31, 2023

Note 3: Property, Plant & Equipment and Intangible Assets

Particulars	GROSS BLOCK				DEPRECIATION and AMORTISATION				NET BLOCK		
	As at April 1, 2022 (Restated)	Additions during the year	Deductions during the year	As at March 31, 2023	Upto March 31, 2022 (Restated)	For the Year	Deductions during the year	Adjustment (Refer Note 3.2 below)	As at March 31, 2023	As at March 31, 2023	Upto March 31, 2022 (Restated)
<b>a) Property, Plant &amp; Equipment</b>											
Buildings											
- Owned	613.79	-	-	613.79	81.85	5.14	-	(21.45)	65.54	548.25	531.94
- Right of Use Assets (Refer Note 3.1)	195.93	167.60	30.36	333.17	52.63	43.28	30.36	-	65.55	267.62	143.30
Leasehold	49.22	5.94	1.44	53.72	3.60	1.65	1.15	(0.51)	3.59	50.13	45.62
Improvements											
Plant and Equipment	75.58	2.88	-	78.46	23.10	21.33	-	(0.21)	44.22	34.24	52.48
Office Equipment	19.09	7.86	2.10	24.85	10.07	4.97	1.75	-	13.29	11.56	9.02
Furniture and Fittings	50.96	5.24	0.78	55.42	27.53	7.75	0.51	14.73	49.50	5.92	23.43
Computer Equipment	351.92	100.44	37.04	415.32	106.31	122.62	37.03	(0.15)	191.75	223.57	245.61
Vehicles	10.74	8.06	3.53	15.27	4.30	3.13	3.53		3.90	11.37	6.44
<b>Total Property, Plant &amp; Equipment</b>	<b>1,367.23</b>	<b>298.02</b>	<b>75.25</b>	<b>1,590.00</b>	<b>309.39</b>	<b>209.88</b>	<b>74.33</b>	<b>(7.59)</b>	<b>437.34</b>	<b>1,152.66</b>	<b>1,057.84</b>
<b>Previous Year</b>	<b>1,053.07</b>	<b>421.70</b>	<b>107.54</b>	<b>1,367.23</b>	<b>204.05</b>	<b>162.63</b>	<b>57.29</b>	<b>-</b>	<b>309.39</b>	<b>1,057.84</b>	<b>-</b>
<b>b) Intangible Assets</b>											
Computer Software and Tools	72.07	77.94	0.38	149.63	46.83	21.82	0.38		72.43	77.20	25.24
IP rights	-	184.13	-	184.13	-	41.34	-		41.34	142.79	-
Customer Contracts	-	32.17	-	32.17	-	7.42	-		7.42	24.75	-
Goodwill	-	19.00	-	19.00	-	-	-		-	19.00	-
Non-Compete Fees	-	5.43	-	5.43	-	1.81	-		1.81	3.62	-
<b>Total Intangible Assets</b>	<b>72.07</b>	<b>318.67</b>	<b>0.38</b>	<b>390.36</b>	<b>46.83</b>	<b>72.39</b>	<b>0.38</b>	<b>4.16</b>	<b>123.00</b>	<b>267.36</b>	<b>25.24</b>
<b>Previous Year</b>	<b>59.34</b>	<b>12.73</b>	<b>-</b>	<b>72.07</b>	<b>21.82</b>	<b>25.01</b>	<b>-</b>	<b>-</b>	<b>46.83</b>	<b>25.24</b>	<b>-</b>
<b>TOTAL (a + b)</b>	<b>1,439.30</b>	<b>616.69</b>	<b>75.63</b>	<b>1,980.36</b>	<b>356.22</b>	<b>282.27</b>	<b>74.71</b>	<b>(3.43)</b>	<b>560.34</b>	<b>1,420.02</b>	<b>1,083.08</b>
<b>Total Previous Year (a+b)</b>	<b>1,112.41</b>	<b>434.43</b>	<b>107.54</b>	<b>1,439.30</b>	<b>225.87</b>	<b>187.64</b>	<b>57.29</b>	<b>-</b>	<b>356.22</b>	<b>1,083.08</b>	<b>-</b>

**Note 3.1:** Buildings includes right-of-use assets of Rs.333.17 Millions related to leased properties that do not meet the definition of investment property.

**Note 3.2:** Pursuant to the Scheme of Amalgamation ("the Scheme") with effect from the Appointed date of April 01, 2022 (Refer Note 42), the Property, Plant & Equipment (PPE) & the Intangible Assets of transferor Companies stand merged with the existing PPE & Intangible Assets. The estimated lives of a few of the PPE & Intangible Assets were differing from the estimated lives of the Group.

During the current year, the Group has aligned the lives of these asset with the lives of assets of the similar asset class & adjusted the depreciation to the extent of 3.42 Millions.

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 4: Capital Work-In-Progress

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Capital Work-In-Progress	60.62	60.62
<b>Total</b>	<b>60.62</b>	<b>60.62</b>

#### Note 4.1: Ageing of Capital Work-in-Progress (CWIP) as at March 31, 2023:

Rs. In Millions

Capital Work-in-Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	9.31	-	51.31	60.62

#### Note 4.2: Ageing of Capital Work-in-Progress (CWIP) as at March 31, 2022 (Restated):

Rs. In Millions

Capital Work-in-Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	9.31	-	-	51.31	60.62

**Note 4.3:** The Capital work-in-progress represents C Wing office building in Pune location which is under construction. The work on the office building was temporarily suspended due to onset of Covid pandemic. The Company is following a hybrid model of working, which has created sufficient seating capacity for the existing resource count. The Management will be revisiting on the space plan around end of the financial year 2023-24.

### Note 5: Other Non-Current Financial Assets

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Unsecured, Considered good</b>		
Fixed Deposits with remaining maturity of more than 12 months (Refer Note 5.1 below)	-	0.68
Security deposit	41.55	27.71
Loans Receivable - credit impaired	6.46	5.95
Less: Allowance for Doubtful Deposits	(6.46)	(5.95)
<b>Total</b>	<b>41.55</b>	<b>28.39</b>

**Note 5.1:** Under lien with bank towards guarantees issued by the bank on behalf of the Company.



## Notes to the Consolidated Financial Statements as at March 31, 2023

## Note 6: Deferred Tax Assets/ (Liabilities)

## a) Movement in Deferred Tax Balances

Deferred Tax Asset/(Liabilities) as at March 31, 2023:

Particulars	Net Balance as at April 01, 2022 (Restated)	Movement during the year		Rs. In Millions
		Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Net Balance
				As at March 31, 2023
<b>Deferred Tax Assets/ (Liabilities)</b>				
Property, Plant and Equipment	(34.90)	(23.65)	-	(58.55)
Employee Benefits	72.31	(17.11)	(5.29)	49.91
Allowance for expected Credit loss	0.15	2.32	-	2.47
Rent Equalisation	0.76	(0.76)	-	-
<b>Deferred Tax Assets / (Liabilities)</b>	<b>38.32</b>	<b>(39.20)</b>	<b>(5.29)</b>	<b>(6.17)</b>

Deferred Tax Asset/(Liabilities) as at March 31, 2022 (Restated):

Particulars	Net Balance as at April 01, 2021 (Restated)	Movement during the year		Rs. In Millions
		Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Net Balance
				as at March 31, 2022 (Restated)
<b>Deferred Tax Asset/(Liabilities)</b>				
Property, Plant and Equipment	(23.36)	(11.54)	-	(34.90)
Employee Benefits	68.29	2.38	1.64	72.31
Allowance for expected Credit loss	0.00*	0.15	-	0.15
Rent Equalisation	0.90	(0.14)	-	0.76
MAT Credit adjustment	142.45	(142.45)	-	-
<b>Deferred Tax Asset/(Liabilities)</b>	<b>188.28</b>	<b>(151.60)</b>	<b>1.64</b>	<b>38.32</b>

\* Denotes an amount less than Rs.5,000/-.

## b) Amounts recognised in the Statement of Profit and Loss

Particulars	Rs. In Millions	
	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Current Income Tax</b>		
Current tax expense for current year	470.23	270.40
Current tax expense pertaining to previous years	12.75	2.29
	482.98	272.69

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 6: Deferred Tax Assets / (Liabilities) (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Deferred Tax Asset (Net)</b>		
Origination and reversal of Tax on Temporary Differences	39.20	151.60
<b>Total Tax expense for the year</b>	<b>522.18</b>	<b>424.29</b>

#### c) Amounts recognised in Other Comprehensive Income

Rs. In Millions

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022 (Restated)		
	Before Tax	Tax (Expense)/ Benefit	Net of Tax	Before Tax	Tax (Expense)/ Benefit	Net of Tax
Remeasurement of Defined Benefit Plan	22.95	(5.29)	17.66	(4.77)	1.64	(3.13)
	<b>22.95</b>	<b>(5.29)</b>	<b>17.66</b>	<b>(4.77)</b>	<b>1.64</b>	<b>(3.13)</b>

#### d) Reconciliation of Income Tax expense and the accounting profit multiplied by India's tax rate

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Profit Before Tax</b>	<b>1,861.06</b>	<b>1,101.07</b>
Indian statutory income tax rate	25.168%	25.168% to 29.120%
<b>Expected income tax expense</b>	<b>468.39</b>	<b>286.53</b>
<b>Tax effect of adjustments to reconcile expected Income Tax Expense:</b>		
Tax Effect of Non-Deductible expenses to reported Income Tax Expense	5.89	14.66
Tax Effect of differences in overseas tax rates for foreign branches, subsidiaries and currency translation	(9.85)	(0.99)
Income not chargeable to tax	(1.84)	(10.36)
Tax Effect of MAT Tax credit foregone in the year (Refer Note 6.1)	-	124.02
Adjustments recognised in current year in relation to tax of prior years	12.75	2.29
Tax Effect of adoption of Low Tax Rate on Deferred Tax	-	2.60
Tax Effect of Deductible Temporary Differences	44.07	0.38
Others	2.77	5.15
<b>Total Income Tax Expense</b>	<b>522.19</b>	<b>424.28</b>

**Note 6.1:** The MAT credit of Expleo India Infosystems Private Limited (EIPL), the Transferor Company in the Scheme of Amalgamation, would not be eligible for carry forward and further utilisation post amalgamation on account of the Transferee Company's lower tax rate under section 115BAA of the Income Tax Act, 1961 and was hence written off in the previous year in the books of EIPL pre-amalgamation.

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 6: Deferred Tax Assets / (Liabilities) (Contd.)

- e) The Group offsets tax assets & liabilities if and only if it has a legally enforceable right to set off current tax assets & current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant Management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets.
- f) The recoverability of deferred income tax assets is based on the estimate of taxable income in the tax jurisdiction in which the entity operates and the period over which deferred income tax assets will be recovered.

### Note 7 : Income Tax Assets (Net)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Advance Tax and Tax Deducted at Source (Net)	93.58	74.64
<b>Total</b>	<b>93.58</b>	<b>74.64</b>

(Refer Note 6 for Tax Reconciliations)

### Note 8 : Other Non Current Assets

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Capital Advances	-	0.23
Prepaid Expenses	-	2.34
Balances with Government authorities	158.65	173.25
Less: Provision for Balances with Government authorities	-	(5.90)
<b>Total</b>	<b>158.65</b>	<b>169.92</b>

### Note 9: Inventories

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Work-in-progress	-	22.70
<b>Total</b>	<b>-</b>	<b>22.70</b>

### Note 10 : Trade Receivables

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	2,399.17	1,737.98
Trade Receivables which have a significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
Less: Allowance for Credit Loss	(5.07)	(0.85)
<b>Total</b>	<b>2,394.10</b>	<b>1,737.13</b>

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 10 : Trade Receivables (Contd.)

#### Note 10.1: Ageing of trade receivables as at March 31, 2023 :

Rs. In Millions

Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed dues – considered good	1,100.07	1,122.93	136.23	37.56	2.38	-	2,399.17
b) Undisputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
c) Undisputed dues – credit impaired	-	-	-	-	-	-	-
d) Disputed dues – considered good	-	-	-	-	-	-	-
e) Disputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
f) Disputed dues – credit impaired	-	-	-	-	-	-	-
<b>Sub total</b>	<b>1,100.07</b>	<b>1,122.93</b>	<b>136.23</b>	<b>37.56</b>	<b>2.38</b>	<b>-</b>	<b>2,399.17</b>
Less : Allowances for Doubtful Trade receivables							(5.07)
<b>Total</b>							<b>2,394.10</b>
Trade receivables unbilled							595.99
<b>Total</b>							<b>2,990.09</b>

#### Note 10.2: Ageing of trade receivables as at March 31, 2022: (Restated)

Rs. In Millions

Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed dues – considered good	563.26	1,140.51	29.48	4.62	0.01	0.10	1,737.98
b) Undisputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
c) Undisputed dues – credit impaired	-	-	-	-	-	-	-
d) Disputed dues – considered good	-	-	-	-	-	-	-

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 10 : Trade Receivables (Contd.)

#### Note 10.2: Ageing of trade receivables as at March 31, 2022: (Restated)

Rs. In Millions

Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
e) Disputed dues – which have significant increase in credit risk	-	-	-	-	-	-	-
f) Disputed dues – credit impaired	-	-	-	-	-	-	-
<b>Sub total</b>	<b>563.26</b>	<b>1,140.51</b>	<b>29.48</b>	<b>4.62</b>	<b>0.01</b>	<b>0.10</b>	<b>1,737.98</b>
Less : Allowances for Doubtful Trade receivables							(0.85)
<b>Total</b>							<b>1,737.13</b>
Trade receivables unbilled							380.09
<b>Total</b>							<b>2,117.22</b>

### Note 11 : Cash and Cash Equivalents

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Balances With Banks</b>		
in Current Accounts	1,145.26	1,440.16
in Deposit Accounts with original maturity of less than 3 months	380.01	290.61
Cash On Hand	0.04	0.03
<b>Total</b>	<b>1,525.31</b>	<b>1,730.80</b>

**Note 11.1:** There are no repatriation restrictions with regard to Cash and Cash equivalents as at the end of the reporting year and previous year.

### Note 12: Other Bank Balances

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Balances With Banks</b>		
Earmarked Balances with Banks - Unclaimed Dividend	1.40	1.92
Deposits with original maturity of more than 3 months but less than 12 months (Refer Note 12.1 below)	30.38	63.02
<b>Total</b>	<b>31.78</b>	<b>64.94</b>

**Note 12.1:** Includes deposits under lien with bank towards guarantee issued by the bank on behalf of the Group Rs.29.64 Millions (Previous Year: Rs.31.94 Millions).

**Note 12.2:** There are no repatriation restrictions with regard to Other Bank Balances as at the end of the reporting year and previous year.

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 13: Loans (Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Dues from Related parties (Refer Note 13.1 below)	466.11	192.68
<b>Total</b>	<b>466.11</b>	<b>192.68</b>

**Note 13.1:** Represents Loan given to a Group entity. The Loan was given in GBP and in Euro at (4.41% + Libor) Interest per annum for general purpose to the Group entity. (Previous Year the GBP and Euro loan was given at 4.41% + Libor interest per annum for general purpose to a Group entity).

### Note 14: Other Current Financial Assets

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Security Deposits	8.40	4.61
Interest accrued on fixed deposits	0.86	0.90
Interest accrued on Loan to Related Party	9.33	2.08
Export incentive receivables	34.44	34.44
Unbilled Revenue	373.01	138.02
<b>Total</b>	<b>426.04</b>	<b>180.05</b>

### Note 15: Other Current Assets

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Considered Good</b>		
Advances to vendors	102.77	22.44
Advances to employees	6.33	11.43
Balances with Government Authorities	217.56	195.57
Prepaid Expenses	134.88	85.48
Unbilled Revenue	222.98	242.07
<b>Total</b>	<b>684.52</b>	<b>556.99</b>

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 16 : Equity Share Capital

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
	<b>a) Authorised</b> 32,700,000 (Previous Year: 32,700,000) Equity Shares of Rs.10/- each (Refer Note 16.1 below)	327.00
	<b>327.00</b>	<b>327.00</b>
<b>b) Issued, Subscribed and Paid Up</b> 10,252,485 (Previous Year: 10,252,485) Equity Shares of Rs.10/- each fully paid up	102.52	102.52
<b>c) Shares pending issuance</b> (Refer Note 16.2 below)	52.68	52.68
	<b>155.20</b>	<b>155.20</b>

**Note 16.1:** Pursuant to Scheme of Amalgamation, the authorised share capital of transferor companies stands merged with the company, and accordingly the authorised share capital of the Company stands increased by Rs.120 Millions consisting of 12,000,000 equity shares of Rs.10/- each to 327 Millions consisting of 32,700,000 equity shares of Rs.10/- each.

**Note 16.2:** Pursuant to Scheme of Amalgamation, the Company has allotted & issued 5,267,254 equity shares of Rs.10/- each on May 09, 2023 to the eligible shareholder of the transferor company as on record date.

#### d) Reconciliation of number of shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2023		As at March 31, 2022 (Restated)	
	No. of shares	Rs. In Millions	No. of shares	Rs. In Millions
<b>Equity Shares</b>				
Outstanding at the beginning of the year	10,252,485	102.52	10,252,485	102.52
Add: Issued during the year	-	-	-	-
Add: Shares pending issuance	5,267,254	52.68	5,267,254	52.68
<b>Outstanding at the end of the year</b>	<b>15,519,739</b>	<b>155.20</b>	<b>15,519,739</b>	<b>155.20</b>

#### e) Shareholding Information

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
	No. of shares	No. of shares
<b>Equity Shares are held by</b> Expleo Technology Germany GmbH (Holding Company)	5,758,804	5,758,804

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 16 : Equity Share Capital (Contd.)

#### f) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### g) Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022 (Restated)	
	No. of shares	%	No. of shares	%
<b>Equity Shares</b>	5,758,804	56.17%	5,758,804	56.17%
Expleo Technology Germany GmbH (Holding Company)				

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

#### h) Equity Shares Reserved for Issue Under Options

There are no equity shares reserved for issue under options.

#### i) Disclosure of Shareholding of Promoters

##### Shares held by promoters as at March 31, 2023

Particulars	As at March 31, 2023		As at March 31, 2022 (Restated)		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH (Holding Company)	5,758,804	56.17%	5,758,804	56.17%	0.00%

##### Shares held by promoters at March 31, 2022 (Restated)

Particulars	As at March 31, 2022 (Restated)		As at March 31, 2021		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH (Holding Company)	5,758,804	56.17%	5,758,804	56.17%	0.00%



## Notes to the Consolidated Financial Statements as at March 31, 2023

## Note 17: Other Equity

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>a) Capital Redemption Reserve (Refer Note 17.1 below)</b>		
Opening Balance	4.61	4.61
Addition during the year	-	-
Closing Balance	4.61	4.61
<b>b) Capital Reserve (Refer Note 17.2 below)</b>		
Opening Balance	(1,206.21)	(1,206.21)
Addition during the year	-	-
Closing Balance	(1,206.21)	(1,206.21)
<b>c) Securities Premium (Refer Note 17.3 below)</b>		
Opening Balance	6.69	6.69
Addition during the year	-	-
Closing Balance	6.69	6.69
<b>d) Employee Stock Compensation Reserve (Refer Note 17.4 below)</b>		
Opening Balance	1.31	1.31
Addition during the year	-	-
Closing Balance	1.31	1.31
<b>e) General Reserve (Refer Note 17.5 below)</b>		
Opening Balance	251.82	251.82
Addition during the year	-	-
Closing Balance	251.82	251.82
<b>f) Retained Earnings (Refer Note 17.6 below)</b>		
Opening Balance	4,732.36	4,058.71
Profit for the year	1,338.88	676.78
Other Comprehensive Income	17.66	(3.13)
Closing Balance	6,088.90	4,732.36
<b>Total</b>	<b>5,147.12</b>	<b>3,790.58</b>

**Note 17.1: Capital Redemption reserve**

As per provisions of Section 69 of the Companies Act, 2013, Capital Redemption Reserve is to be created when Company purchases (buys back) its own shares out of the free reserves for an amount equal to the nominal value of shares (Share Capital extinguished) so purchased. Accordingly during the Financial year ended March 31, 2020 an amount of Rs.4.61 Millions, i.e., the share capital extinguished had been transferred from Retained Earnings to Capital Redemption Reserve.

**Note 17.2: Capital Reserve**

The debit balance of capital reserve of Rs.1,213.51 Millions is on account of the Scheme of Amalgamation between the Company and Expleo India Infosystems Private Limited (EIPL) (Transferor Company 1),

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 17: Other Equity (Contd.)

Expleo Technologies India Private Limited (ETIPL) (Transferor Company 2), Expleo Engineering India Private Limited (EEIPL) (Transferor Company 3), and Silver Software Development Centre Private Limited (SSDC) (Transferor Company 4), in the current financial year 2022-23.

Balance amount represents credit balance created on account of previous business restructuring in EEIPL to the tune of Rs.7.30 Millions.

#### Note 17.3: Securities Premium

This balance has been recognised on issue of 334,250 equity shares of Rs.10/- each at a premium of Rs.20/- each, by EEIPL vide an erstwhile Scheme of Amalgamation to Assystem International S.A. during the financial year 2009-10.

#### Note 17.4: Employee Stock Compensation Reserve

The Employee Stock Compensation Reserve is used to recognise the grant date fair value of options issued under the Group's Stock Option Plan provided to employees as part of their remuneration.

#### Note 17.5: General Reserve

The Group had transferred a portion of the net profit of the Group to General Reserve, on a voluntary basis, during the previous years.

#### Note 17.6: Retained Earnings

Retained Earnings are the profits that the Group has earned till date, less any transfers to General Reserve, dividends or other distributions paid to shareholders.

### Note 18: Borrowings (Non Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Secured</b>		
Indian Rupee Loan from a financial institution (Refer Note 18.1 below)	3.93	4.57
<b>Total</b>	<b>3.93</b>	<b>4.57</b>

**Note 18.1:** Indian Rupee Loan from financial institution was availed by the Group in June, 2021 at an interest rate of 8.80% per annum, secured against first charge on the underlying vehicle so purchased, repayable in 48 equal monthly instalments along with interest with effect from July, 2021.

### Note 19: Provisions (Non Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Provision for employee benefits</b>		
Compensated absences	62.00	83.86
Gratuity	7.99	42.64
Long Term Service award	23.76	11.88
<b>Total</b>	<b>93.75</b>	<b>138.38</b>

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 20: Borrowings (Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Secured</b>		
Indian Rupee Loan from a financial institution (Refer Note 18.1)	0.78	0.78
<b>Total</b>	<b>0.78</b>	<b>0.78</b>

### Note 21: Trade Payable

#### Note 21.1: Ageing of Trade payables as at March 31, 2023:

Rs. In Millions

Particulars	Not due	Outstanding for the following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed dues - MSME	1.09	-	-	-	-	1.09
b) Undisputed dues - Others	181.48	377.79	65.55	4.57	7.91	637.30
c) Disputed Dues - MSME	-	-	-	-	-	-
d) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>						<b>638.39</b>

#### Note 21.2: Ageing of Trade payables as at March 31, 2022: (Restated)

Rs. In Millions

Particulars	Not due	Outstanding for the following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed dues - MSME	3.77	0.24	-	-	-	4.01
b) Undisputed dues - Others	94.92	596.60	10.16	22.56	0.14	724.38
c) Disputed Dues - MSME	-	-	-	-	-	-
d) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>						<b>728.39</b>

#### Note 21.3: Relationship with struck off companies

Rs. in Millions

Name of struck off Company	Nature of transactions	Transactions during the year	Balance outstanding as at March 31, 2023	Relationship with the struck off company
Trishul Communications Private Ltd	Service Obtained	0.44	-	Vendor

## Notes to the Consolidated Financial Statements as at March 31, 2023

### Note 22: Other Current Financial Liabilities

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Unclaimed dividend (Refer Note 22.1 below)	1.38	1.92
Employee benefits payable	202.12	193.37
Gratuity Liability	112.50	76.12
Liabilities for other expenses	371.93	317.19
<b>Total</b>	<b>687.93</b>	<b>588.60</b>

**Note 22.1:** There are no amounts due for payment to the Investor Education and Protection Fund as at the end of the current year and previous year.

### Note 23: Other Current Liabilities

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Statutory Dues	85.08	165.28
Unearned Revenue	48.89	97.29
<b>Total</b>	<b>133.97</b>	<b>262.57</b>

### Note 24: Provisions (Current)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Provision for Employee Benefits</b>		
Compensated Absences	20.27	27.60
Gratuity	1.51	9.30
Long Term Service Award	8.45	3.42
<b>Total</b>	<b>30.23</b>	<b>40.32</b>

### Note 25: Current Tax Liabilities (Net)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
Provision for Tax (Net)	146.94	89.13
<b>Total</b>	<b>146.94</b>	<b>89.13</b>

(Refer Note 6 for Tax Reconciliations)

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

## Note 26: Revenue from Operations

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Revenue from Contracts with Customers</b>		
Software Services (Refer Note 26.1 below)	9,032.95	7,425.35
<b>Total</b>	<b>9,032.95</b>	<b>7,425.35</b>

## Note 26.1: Disclosures relating to Revenue from Operations

## a) Disaggregation of Revenue

The table below presents disaggregated revenues from contracts with customers for the years ended March 31, 2023 and March 31, 2022 by contract type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of their revenues and cash flows are affected by economic factors.

## Revenue based on contract type:

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Fixed Bid	2,569.93	2,415.50
Time & Material	6,463.02	5,009.85
<b>Total</b>	<b>9,032.95</b>	<b>7,425.35</b>

The Company derives its revenue across two categories of contracts - Fixed Bid contracts and Time & Material (T&M) contracts. The Group has identified a single reportable segment namely 'Software Validation and Verification Services, Software Development and Engineering consultancy services' as disclosed in Note 40 to the Consolidated Financial Statements. The Group has disclosed revenue generated by geographical market which is provided only as per the specific requirement of Ind AS 108 for a single reportable segment. However, the Group does not assess revenue based on geography and hence there is no disaggregation of revenue disclosed based on geography.

- b) The contract liabilities (unearned revenue) primarily relate to the advance consideration received from customers for which revenue is recognised over time. An amount of Rs.48.89 Millions (Previous Year: Rs.97.29 Millions) recognised in contract liabilities as at April 1, 2022 has been recognised as revenue for the year ended March 31, 2023.
- c) There is no revenue recognised in the reporting period for performance obligations satisfied in previous periods.
- d) **Transaction price allocated to the remaining performance obligations**

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs.92.68 Millions (Previous Year: Rs.366.51 Millions) which is expected to be recognised as revenue in the next year. Remaining performance obligation estimates are subject to change and are affected by several factors, including adjustments for currency.

e) **Performance obligations and remaining performance obligations**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 26: Revenue from Operations (Contd.)

Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis and in the case of fixed bid contracts with an original expected project duration of less than one year.

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Revenue from contracts with customers (as per the Statement of Profit and Loss)	9,032.95	7,425.35
Add: Discounts	50.97	28.72
<b>Revenue as per contracted price with the customers</b>	<b>9,083.92</b>	<b>7,454.07</b>

### Note 27: Other Income

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Interest Income		
On Fixed deposits and others	18.37	15.16
On Interest on Loan to a related party	21.17	8.77
On other financial assets carried at amortised cost	0.92	0.79
Profit on Sale of Property Plant and Equipment	8.47	1.07
Provision no longer required written back	3.04	-
Provision for expected credit loss written back	0.22	-
Net foreign exchange gain	107.17	22.18
Rent concessions	-	0.03
Leasehold Income on modification	-	7.95
Government Grant	0.51	1.02
Miscellaneous Income	1.22	3.38
<b>Total</b>	<b>161.09</b>	<b>60.35</b>

### Note 28: Employee Benefit Expense

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Salaries, wages and bonus	4,441.32	3,558.57
Contribution to provident and other funds (Refer Note 33 (b) (i))	231.01	180.54
Gratuity expense (Refer Note 33 (b) (ii))	51.84	46.59
Staff welfare expense	74.71	54.66
<b>Total</b>	<b>4,798.88</b>	<b>3,840.36</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 29: Cost of material consumed and other direct costs

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Purchase and other direct costs	71.68	65.27
Freight, Clearing and Other Expenses	1.51	0.15
Add: Employee Benefit Expenses	-	6.28
Add: Other Expenses	-	9.44
<b>Total</b>	<b>73.19</b>	<b>81.14</b>

### Note 30: Finance Cost

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Interest on Loan	1.27	0.48
Interest on Income Tax	8.95	3.49
Interest on Lease liability	12.34	8.15
<b>Total</b>	<b>22.56</b>	<b>12.12</b>

### Note 31: Other Expenses

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Travel and conveyance	194.94	78.61
External Consultant Costs	1,241.44	1,518.48
Sales commission	21.16	11.97
Professional fees	89.77	80.39
Software expenses	250.70	240.94
Rent expenses for Short term and low value leased assets (Refer Note 37)	9.35	9.11
Marketing and selling expenses	57.13	51.94
Repairs & maintenance		
Buildings	50.12	40.98
Plant and machinery	6.11	5.27
Others	13.38	11.39
Power and fuel	31.85	23.92
Rates and taxes	9.90	27.83
Loss on sale of Property, Plant & Equipment	-	0.27
Communication expenses	0.76	10.70
Commission to independent directors	8.13	6.25
Insurance	76.07	30.55
Training and recruitment	35.10	72.89

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 31: Other Expenses (Contd.)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Corporate social responsibility expense	20.11	18.98
Audit fees	12.84	7.47
Directors sitting fees	1.98	1.82
Allowance for credit loss	4.45	0.29
Bad debts written off	6.96	-
Miscellaneous expenses	17.26	13.32
<b>Total</b>	<b>2,159.51</b>	<b>2,263.37</b>

### Note 32: Earnings Per Share

#### a) Basic Earnings Per Share

The calculation of Basic Earnings Per Share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding.

#### (i) Profit attributable to equity shareholders (basic)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Profit for the year, attributable to equity shareholders of the Company	1,338.88	676.78
<b>Total</b>	<b>1,338.88</b>	<b>676.78</b>

#### (ii) Weighted average number of equity shares (basic)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Number of equity shares at the beginning of the year	15,519,739	15,519,739
<b>Total weighted average number of equity shares for calculating basic EPS</b>	<b>15,519,739</b>	<b>15,519,739</b>
<b>Earnings per Share - Basic (in Rs.) (nominal value Rs.10/- per share)</b>	<b>86.27</b>	<b>43.61</b>

#### b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders and weighted average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares.

#### (i) Profit attributable to equity shareholders (diluted)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Profit for the year, attributable to equity shareholders of the Company	1,338.88	676.78
<b>Total</b>	<b>1,338.88</b>	<b>676.78</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

## Note 32: Earnings Per Share (Contd.)

## (ii) Weighted average number of equity shares (diluted)

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Weighted average number of equity shares outstanding (basic)	15,519,739	15,519,739
<b>Weighted average number of equity shares for calculating diluted EPS</b>	<b>15,519,739</b>	<b>15,519,739</b>
<b>Earnings per Share - Diluted (in Rs.) (nominal value Rs.10/- per share)</b>	<b>86.27</b>	<b>43.61</b>

## Note 33 : Disclosure as required under Ind AS 19 'Employee Benefits'

## a) Compensated Absences

The Group provides for the encashment of leave or leave with pay to offshore employees. The employees are entitled to accumulate leave, subject to certain limits, for future availment/encashment. The liability is provided based on the number of days of unutilised days of leave at each Balance Sheet date on the basis of the year-end actuarial valuation using the projected unit credit method. The scheme is unfunded.

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Liability at the beginning of the year	111.46	85.19
Leave salary cost accounted for the year (Net)	(29.19)	26.27
<b>Total liability as at the end of the year</b>	<b>82.27</b>	<b>111.46</b>

**Note 33.1:** Refer Note 19 for Long term benefits and Note 24 for Short term benefits.

## b) Post-employment obligations

## (i) Defined contribution plan - Provident fund &amp; Social Security Schemes (Refer Note 28) Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Employer's contribution accounted for the year (Includes Employees' Deposit Link Insurance Scheme (EDLI) charges and Employer's contribution to Employees' Pension Scheme, 1995)	200.15	177.26
Social Security contribution in respect of employees based outside India	30.86	3.28
<b>Total</b>	<b>231.01</b>	<b>180.54</b>

## (ii) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972 and for employees in FZE.

For the Employees in India, 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 33 : Disclosure as required under Ind AS 19 'Employee Benefits' (Contd.)

basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India (LIC) as per New Group Gratuity Cash Accumulation Plan for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority (IRDA) Regulations. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. The previous year balances include the balances of the Transferor Company Expleo Technologies India Private Limited (ETIPL) vide the Scheme of Amalgamation. The balance of gratuity towards these employees are unfunded.

For the Employees in FZE, 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 by the number of years of service. The gratuity plan is an un-funded plan.

#### Defined Benefit Plan - Gratuity

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>i) Change in Present Value Of Defined Benefit Obligation</b>		
<b>Present Value Of Defined Benefit Obligation at the beginning of the year</b>	<b>260.76</b>	<b>238.82</b>
Interest cost	15.00	12.57
Current service cost	46.78	41.87
Past Service Cost	(1.94)	-
Benefits paid	(37.76)	(39.90)
Actuarial (Gain)/ Loss on obligations- due to change in demographic assumptions	(4.56)	0.13
Actuarial (Gain)/ Loss on obligations- due to change in financial assumptions	(2.57)	3.12
Actuarial (Gain)/ Loss on obligations- due to change in experience	(15.22)	2.34
Exchange gain/loss	0.73	1.81
<b>Present value of obligation as at end of the year</b>	<b>261.22</b>	<b>260.76</b>
<b>ii) Change in fair value of Plan Assets</b>		
<b>Fair value of plan assets at the beginning of the year</b>	<b>132.70</b>	<b>131.55</b>
Expected return on plan assets	8.01	7.90
Contributions made	30.54	28.36
Benefits paid	(32.63)	(35.93)
Return on plan assets, excluding amounts included in interest (expense)/ income	0.60	0.82
<b>Fair value of plan assets at the end of the year</b>	<b>139.22</b>	<b>132.70</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

## Note 33 : Disclosure as required under Ind AS 19 'Employee Benefits' (Contd.)

## Defined Benefit Plan - Gratuity

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>iii) Amount recognized in the Balance Sheet</b>		
Present value of the obligation as at end of the year	261.22	260.76
Less : Fair value of plan assets as at end of the year	139.22	132.70
Net obligation as at end of the year	122.00	128.06
<b>Amount recognized in the Balance Sheet</b>	122.00	128.06
Net liability recognized - Current	114.01	85.42
Net liability recognized - Non-current (Refer Note 33.2(i) below)	7.99	42.64
<b>iv) Expenses recognized in the Statement of Profit and Loss for the year</b>		
Current service cost	46.78	41.87
Past service cost	(1.94)	-
Net Interest on Net Defined benefit obligations	15.01	12.62
Interest (income) on plan assets	(8.01)	(7.90)
<b>Total expense included in employee benefit expenses</b>	<b>51.84</b>	<b>46.59</b>
<b>v) Recognized in Other comprehensive income for the year</b>		
Actuarial (Gain)/ Loss on obligations - due to change in demographic assumptions	(4.56)	0.13
Actuarial (Gain)/ Loss on obligations - due to change in financial assumptions	(2.57)	3.12
Actuarial (Gain)/ Loss on obligations - due to change in experience	(15.22)	2.34
Remeasurement - (return)/ loss on plan assets excluding amount included in net interest income	(0.60)	(0.82)
<b>Recognized in Other Comprehensive (Income)/loss</b>	<b>(22.95)</b>	<b>4.77</b>
<b>vi) Actuarial assumptions</b>		
Discount rate - Current	7.31%	5.85% to 6.60%
Expected rate of return on plan assets	7.31%	5.85% to 6.60%
Salary Escalation - Current	10.00%	7.5% to 10.00%
Attrition rate	25.00%	17.00% to 26.00%
Discount rate for Expleo Solutions FZE	3.81%	3.17%
Salary Escalation for Expleo Solutions FZE	4.50%	4.50%
Attrition rate for Expleo Solutions FZE	18.00%	18.00%
<b>vii) Sensitivity Analysis (Refer Note 33.2(ii) below)</b>		
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:		
<b>Impact on defined benefit obligation</b>		
Delta effect of +0.5% Change in Rate of discounting	256.46	255.50
Delta effect of -0.5% Change in Rate of discounting	266.12	266.38
Delta effect of +0.5% Change in Rate of Salary Escalation	265.21	265.87
Delta effect of -0.5% Change in Rate of Salary Escalation	257.26	255.88

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 33 : Disclosure as required under Ind AS 19 'Employee Benefits' (Contd.)

#### Defined Benefit Plan - Gratuity

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Delta effect of +0.5% Change in Rate of Employee turnover	260.20	259.87
Delta effect of -0.5% Change in Rate of Employee turnover	262.22	261.79
Methodology adopted for asset liability management (ALM)	Projected Unit Credit Method	Projected Unit Credit Method

#### viii) Maturity profile of defined benefit obligation

The expected maturity analysis of gratuity is as follows:

Rs. In Millions

Projected benefits payables in future years from the date of reporting	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
1st Following year	55.88	49.83
2nd Following year	47.04	43.25
3rd Following year	42.04	38.50
4th Following Year	38.67	34.58
5th Following year	35.01	32.05
Sum of 6 to 10 years	103.73	95.64
10 years and above	44.21	-

#### ix) Category of Plan assets

Funds managed by the Insurer (Refer Note 33.2(iii))	100%	100%
---	------	------

#### x) Risk exposure

This does not apply to the Company since it invests in the traditional plan of LIC, for which the underlying assets are not known to the policy holders.

#### Note 33.2 :

- (i) The Group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Group intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.
- (ii) **Usefulness & methodology adopted for sensitivity analysis**  
Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not to be true on different count. This only signifies the change in the liability if the difference between assumed & the actual is not following the parameters of the sensitivity analysis.
- (iii) There was partially unfunded liability to the extent of Bengaluru and Dubai location.

### Note 34 : Financial Instruments

#### Fair Values and Risk Management

- a) The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 34 : Financial Instruments (Contd.)

Rs. In Millions

As at March 31, 2023	Carrying Amount				Fair Value			
	Fair value through profit or loss	Fair Value through Other Comprehensive Income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>								
Security deposits - Non-Current	-	-	41.55	41.55	-	-	-	-
Trade receivables	-	-	2,394.10	2,394.10	-	-	-	-
Cash and cash equivalents	-	-	1,525.31	1,525.31	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	31.78	31.78	-	-	-	-
Security deposits - current	-	-	8.40	8.40	-	-	-	-
Loan given to Related Party	-	-	466.11	466.11	-	-	-	-
Interest accrued on fixed deposits	-	-	0.86	0.86	-	-	-	-
Interest accrued on Loan to a Related Party	-	-	9.33	9.33	-	-	-	-
Export Incentive Receivable	-	-	34.44	34.44	-	-	-	-
Unbilled Revenue	-	-	373.01	373.01	-	-	-	-
<b>Total</b>	-	-	<b>4,884.89</b>	<b>4,884.89</b>	-	-	-	-
<b>Financial Liabilities:</b>								
Borrowings - Non-Current	-	-	3.93	3.93	-	-	-	-
Borrowings - Current	-	-	0.78	0.78	-	-	-	-
Lease Liability - Non-Current	-	-	218.76	218.76	-	-	-	-
Lease Liability - Current	-	-	39.11	39.11	-	-	-	-
Trade payables	-	-	638.39	638.39	-	-	-	-
Other current financial liabilities	-	-	687.93	687.93	-	-	-	-
<b>Total</b>	-	-	<b>1,588.89</b>	<b>1,588.89</b>	-	-	-	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 34 : Financial Instruments (Contd.)

Rs. In Millions

As at March 31, 2022 (Restated)	Carrying Amount				Fair Value			
	Fair value through profit or loss	Fair Value through Other Comprehensive Income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>								
Security deposits - Non-Current	-	-	27.71	27.71	-	-	-	-
Fixed Deposits with remaining maturity of more than 12 months	-	-	0.68	0.68	-	-	-	-
Trade receivables	-	-	1,737.13	1,737.13	-	-	-	-
Cash and cash equivalents	-	-	1,730.80	1,730.80	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	64.94	64.94	-	-	-	-
Security deposits - current	-	-	4.61	4.61	-	-	-	-
Loan given to Related Party	-	-	192.68	192.68	-	-	-	-
Interest accrued on fixed deposits	-	-	0.90	0.90	-	-	-	-
Interest accrued on Loan to Related Party	-	-	2.08	2.08	-	-	-	-
Export Incentive Receivable	-	-	34.44	34.44	-	-	-	-
Unbilled Revenue	-	-	138.02	138.02	-	-	-	-
<b>Total</b>	-	-	<b>3,933.99</b>	<b>3,933.99</b>	-	-	-	-
<b>Financial Liabilities:</b>								
Borrowings - Non-Current	-	-	4.57	4.57	-	-	-	-
Borrowings - Current	-	-	0.78	0.78	-	-	-	-
Lease Liability - Non-Current	-	-	105.62	105.62	-	-	-	-
Lease Liability - Current	-	-	36.12	36.12	-	-	-	-
Trade payables	-	-	728.39	728.39	-	-	-	-
Other current financial liabilities	-	-	588.60	588.60	-	-	-	-
<b>Total</b>	-	-	<b>1,464.08</b>	<b>1,464.08</b>	-	-	-	-

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as

**Notes to the Consolidated Financial Statements for the year ended March 31, 2023****Note 34 : Financial Instruments (Contd.)**

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 among Level 1, Level 2 and Level 3 during the current year and previous year.

**b) Measurement of Fair Value**

The Group uses Discounted Cash Flow valuation technique (in relation to fair value of asset measured at amortised cost) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

**c) Financial Risk Management**

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit and liquidity, which may impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

**(i) Credit Risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses, both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk of existing customer is controlled by continuous monitoring of the collections trend of each customer on a periodical basis. With respect to a new customer, the Group uses an external/internal sources to assess the potential customer's credit quality.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk.

Credit risk on cash and cash equivalents is Limited as the Group generally invests in Fixed deposits with banks having high credit ratings.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs.4,884.89 Millions (Previous Year: Rs.3,933.99 Millions) being the total of the carrying amount of trade receivables, cash and cash equivalents, other balances with banks, loans and other financial assets.

**Trade Receivables**

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The concentration of credit risk is Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 34 : Financial Instruments (Contd.)

due to the fact that the customer base is large and unrelated. Before accepting any new customer, the Group uses an external/ internal source to assess the potential customer's credit quality. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

The following table gives the details in respect of the amount and percentage of trade receivables from a major customer:

Particulars	Rs. In Millions	
	As at March 31, 2023	As at March 31, 2022 (Restated)
Trade Receivables from a major customer	-	-
Percentage of Trade Receivables from a major customer	0.00%	0.00%

The movement in the expected credit loss allowance is as follows:

Particulars	Rs. In Millions	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Balance at beginning of the year	0.85	0.56
Impairment loss provision created	4.22	0.29
<b>Balance at end of the year</b>	<b>5.07</b>	<b>0.85</b>

#### (ii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group exposure to market risk is primarily on account of foreign currency exchange rate risk.

##### a) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in USD, EURO and GBP against the functional currency of the Group. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.



**Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

**Note 34 : Financial Instruments (Contd.)**

**b) Exposure in Foreign Currency (FCY) - Unhedged**

Particulars	FCY	As at March 31, 2023		As at March 31, 2022 (Restated)	
		Amount (FCY in Millions)	Amount (Rs. in Millions)	Amount (FCY in Millions)	Amount (Rs. in Millions)
Trade receivables	GBP	0.73	74.56	1.52	151.91
Trade receivables	USD	8.38	688.62	5.00	378.99
Trade receivables	EUR	12.81	1,147.94	7.14	604.87
Cash and Cash Equivalents	GBP	1.68	170.80	1.46	145.21
Cash and Cash Equivalents	USD	4.46	366.48	3.26	247.52
Cash and Cash Equivalents	EUR	3.56	322.47	8.42	713.44
Loans	GBP	1.00	101.87	1.00	99.55
Loans	USD	1.40	115.11	-	-
Loans	EUR	1.40	125.45	1.10	93.13
Other Current Financial Assets	GBP	0.26	26.21	0.00	0.42
Other Current Financial Assets	USD	0.81	66.27	0.68	51.60
Other Current Financial Assets	EUR	2.77	248.23	0.84	71.36
Trade Payables	GBP	0.56	56.91	0.56	55.59
Trade Payables	USD	0.12	9.95	0.53	40.00
Trade Payables	EUR	4.09	366.11	6.48	548.64
Other Current Financial Liabilities	GBP	0.05	5.12	0.17	16.89
Other Current Financial Liabilities	USD	0.24	19.41	0.23	17.71
Other Current Financial Liabilities	EUR	1.17	105.14	5.56	470.61

**Sensitivity Analysis**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Rs. In Millions	
	Impact on profit after tax	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>GBP Sensitivity</b>		
INR/GBP - Increased by *	15.57	16.22
INR/GBP - decreased by *	(15.57)	(16.22)
<b>USD Sensitivity</b>		
INR/USD - Increased by *	60.36	31.02
INR/USD - decreased by *	(60.36)	(31.02)
<b>EUR Sensitivity</b>		
INR/EUR - Increased by *	68.64	23.18
INR/EUR - decreased by *	(68.64)	(23.18)

\* Holding all other variables constant

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 34 : Financial Instruments (Contd.)

#### c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates to investments in short-term fixed deposits, which do not expose it to significant interest rate risk.

#### (iii) Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date:

**Rs. In Millions**

As at March 31, 2023	Carrying amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Non-Current</b>						
Borrowing	3.93	3.93	-	0.92	3.01	-
Lease Liabilities	218.76	218.76	-	41.71	139.87	37.18
<b>Current</b>						
Borrowing	0.78	0.78	0.78	-	-	-
Lease Liabilities	39.11	39.11	39.11	-	-	-
Trade Payables	638.39	638.39	638.39	-	-	-
Other Current Financial Liabilities	687.93	687.93	687.93	-	-	-

**Rs. In Millions**

As at March 31, 2022 (Restated)	Carrying amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Non-Current</b>						
Borrowing	4.57	4.57	-	0.73	3.84	-
Lease Liabilities	105.62	105.62	-	16.71	60.64	28.27
<b>Current</b>						
Borrowing	0.78	0.78	0.78	-	-	-
Lease Liabilities	36.12	36.12	36.12	-	-	-
Trade Payables	728.39	728.39	728.39	-	-	-
Other Current Financial Liabilities	588.60	588.60	588.60	-	-	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 35 : Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders. The Group is not subject to any externally imposed capital requirements.

### Note 36 : Asset pledged as security

The Group has bank guarantee facilities with banks which are secured by Fixed deposits of the Group, both present and future. There is no outstanding amount due on this account as at the end of the current year and the previous year.

Particulars	Rs. In Millions	
	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Current Financial Assets</b>		
<b>First Charge</b>		
Current Assets - Fixed deposits with Banks	30.52	50.45
<b>Total assets pledged as security</b>	<b>30.52</b>	<b>50.45</b>

### Note 37: Disclosure required under Ind AS 116 “Leases”

The Group had entered into operating leases on its office buildings. These leases have terms of 2 to 10 years. Future minimum contractual rentals payable under non-cancellable operating leases as at March 31, 2023 is Rs.128.01 Millions (Previous Year: Rs.67.09 Millions).

The Group used a practical expedient, and did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application. The Lease payments associated with these amounting to Rs.9.35 Millions (Previous Year: Rs.9.11 Millions) are recognised as expenses on a straight line basis over the lease term.

#### The movement in Lease Liabilities during the years ended March 31 :

Particulars	Rs. In Millions	
	As at March 31, 2023	As at March 31, 2022 (Restated)
Opening Liability	141.74	95.74
Additions towards new leased properties	158.74	135.38
Less : Deletions of Lease liability during the year	-	(52.83)
Interest expenses	12.34	8.15
Payment of Lease Liabilities	(54.95)	(44.70)
<b>Closing Liability</b>	<b>257.87</b>	<b>141.74</b>

The Lease Liabilities as at March 31, 2023 amounting to Rs.257.87 Millions (Previous Year: Rs.141.74 Millions) comprises of Non-Current Lease liabilities of Rs.218.76 Millions (Previous Year: Rs.105.62 Millions) and current lease liability of Rs.39.11 Millions (Previous Year: Rs.36.12 Millions). The contractual maturities of lease liabilities as of March 31, 2023 is disclosed in Note 34.

The incremental borrowing rates derived by a valuer, on the basis of the borrowing rate for each lease contract for the remaining life of the lease contract, adjusted with the credit profile of the Company, are used for each of the office buildings separately and the average lessee’s incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application ranges from 5.46% to 12.52%.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 38 : Contingent Liabilities and Commitments

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>a) Contingent Liabilities</b>		
(i) Claims against the Group not acknowledged as debt:		
Service Tax related matters	829.39	820.18
VAT Related Matters	0.28	0.28
Income Tax related matters	230.77	220.12
(ii) Guarantees		
Counter Guarantees issued to the bank	4.22	11.87
<b>b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	43.85	18.67

The Service Tax Authorities Chennai had made a demand for Rs.329.14 Millions along with interest and penalty for an equivalent amount, towards tax leviable for certain services rendered by the Company for the period April, 2011 to March, 2016. The Service Tax Authorities had also made a demand for Rs.126.90 Millions along with interest and penalty of Rs.1.2 Millions towards tax leviable for certain services rendered by the Company for the period April, 2016 to June, 2017. The Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT) for both the demands and the Management expects it's position to be upheld by the Authorities in respect of both the demands.

During the FY 19-20 , the company has received a show cause notice from the Additional Commissioner of Central Goods and Service Tax Audit -1 Commissioner at Pune towards Non Payment of service Tax amounting to Rs.35.75 Millions with regards to import of service on reverse charge Basis (as recipient of service ) in respect of the onsite service received by the company from Non - Taxable territory for the period FY 2014-15 to FY 2017-18. The company based on the legal advise believes that the claim of the department is not tenable .

The company has received a notice from the Principal Commissioner Pune GST 1 at Pune pertaining to FY2015-16 towards non payment of service tax amounting to Rs.7.26 Millions towards turnover differences. The company based on the legal advise believes that the claim of the department is not tenable .

Contingent liabilities include demand from the Income tax authorities of Chennai , Pune and Bangalore for payment of additional tax of Rs.230.77 Millions (Previous Year: Rs.220.12 Millions) for the fiscal years 2009-10, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 , 2018-19 and 2019-20 . The tax demand is mainly on account of disallowance of a portion of the deduction claimed by the Company under Section 10A/10AA of the Income Tax Act and also other expenses disallowed. The Company has filed appeals before CIT (Appeals). The Company has also paid an amount of Rs.73.99 Millions (after adjusting the refund of Rs.13.36 Millions related to earlier years), towards the outstanding demand (under protest). The Management believes that its position in respect of all the years will be upheld by the Authorities.

In case of Bangalore unit , the Income Tax department has not accepted the transfer price adopted by the Company and has made adjustments to the prices charged by the Company to its associate company for the financial year 2009-10 (Assessment Year 2010-11) and financial year 2016-17 (Assessment Year 2017-18). This has resulted in additional tax demand including penalty for the said years which are disputed by the company. The Management of the Company is confident that the above matter will be ultimately settled in favour of the Company and there will not be any material adjustment on completion of the appeal proceedings.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2023****Note 38 : Contingent Liabilities and Commitments (Contd.)**

In respect of tax demands for the financial year 2009-10, the Company has paid Rs.2.50 Millions against the tax demand under protest and further the Department has adjusted tax refunds of other years aggregating to Rs.24.55 Millions against this demand, which also includes excess adjustment of Rs.5.45 Millions against which the Company had filed rectification petition.

During the FY 20-21 the Company has made an additional tax provision of Rs.6.58 Millions for the FY 2009-10 and also has made a payment under protest for the FY 2009-10 amounting to Rs.27.90 Millions only for the issue pertaining to Section 10A of the Income Tax Act, 1961. The Company's management after discussion with the tax consultants, decided to make the payment under protest for the Section 10 A issue alone for the FY 2009-10. The Company believes that for the FY 2009-10, the other issue will be in favour of the Company. The payment under protest was made to mitigate future interest on the Section 10A issue alone. However, the management has decided to litigate further for the FY 2009-10.

**Note 39 : Foreign Exchange Difference**

The amount of exchange gain included in the Statement of Profit & Loss is Rs.107.17 Millions (Previous Year: gain of Rs.22.18 Millions).

**Note 40 : Segment Information**

The Company's Board of Directors along with its Chief Operating Decision Maker (CODM) examines the Group's performance and has identified a single reportable segment namely as Software Validation and Verification Services, Software Development and Engineering consultancy services related to BFSI, Aerospace, Automotive, Defence and Rail Industry . The Board of Directors primarily uses a measure of adjusted Earnings Before Interest and Tax (EBIT) and profit before tax to assess the performance of the operations.

The geographic information analyses the Group's revenue and Non-Current Assets by the Holding Company's country of domicile and other countries. The Holding Company is domiciled in India. In presenting the geographical information, revenue in the disclosure below is based on the geographic location where the service is rendered. Non-Current Assets other than financial instruments and deferred tax assets in the disclosure below are based on the geographic location of the Non-Current Assets.

The amount of the revenue from the external customer broken down by location of the customer and Non-Current Assets are shown in the tables below:

Particulars	Rs. In Millions	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Sales revenue by geographical market</b>		
Within India	2,238.57	2,293.24
Outside India	6,794.38	5,132.11
<b>Total</b>	<b>9,032.95</b>	<b>7,425.35</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 40 : Segment Information (Contd.)

Rs. In Millions

Particulars	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Non-Current Assets other than financial instruments and deferred tax assets by geographical market</b>		
Within India	1,650.67	1,361.60
Outside India	82.20	26.65
<b>Total</b>	<b>1,732.87</b>	<b>1,388.25</b>

Rs. In Millions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Revenue from major customers</b>		
Customers individually contributing more than 10% of total revenue	-	818.06
Other Customers	9,032.95	6,607.29
<b>Total</b>	<b>9,032.95</b>	<b>7,425.35</b>

### Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures'

#### a) Related Parties and their relationships:

##### (i) Ultimate Holding Entities:

Ardian LBO Fund VI B  
Assystem SA

##### (ii) Holding Company:

Expleo Technology Germany GmbH

##### (iii) Key Management Personnel (KMP):

Ralph Franz Gillessen - Non-Executive Director and Chairman  
 Prof. K. Kumar - Deputy Chairman & Independent Director  
 Balaji Viswanathan - Managing Director & CEO  
 Prof. S. Rajagopalan - Independent Director  
 Rajiv Kuchhal - Independent Director  
 Lilian Jessie Paul - Independent Director  
 Ulrich Bäumer - Independent Director  
 Rajesh Krishnamurthy - Non-Executive Director (w.e.f. August 26, 2021)  
 Prashant Eknath Bramhankar - Director (Non-Executive) (w.e.f. August 11, 2022) & Whole-time Director & COO (w.e.f. April 01, 2023)  
 Desikan Narayanan - Chief Financial Officer (CFO)  
 Phani Tangirala - Senior Director - Sales and Client Management  
 Stephen Magennis - Director

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

N Sriram - Director

Anup Ranjan Sabat - Director

Rizwan Shaikhmohammed - Director

Keith Korsi - Director

#### **(iv) Fellow Subsidiaries:**

Expleo Netherlands B.V.

Expleo Technology USA Inc

Expleo Group Austria GmbH

Expleo Technology Egypt

Expleo Technology UK Ltd

#### **(v) Consolidating Company:**

Expleo Group SAS

#### **(vi) Entities under common control:**

Expleo Technology Ireland Ltd

Expleo South Africa (PTY)

Expleo Engineering UK Ltd

Expleo Germany GmbH

SQS Portugal LDA

Expleo Technology Switzerland AG

Expleo Services SASU

Expleo Technology Nordic AB

Expleo Regions SASU

Silver Atena

Expleo France SASU

Expleo Iberia SL

Expleo Maroc SAS

Expleo Finland OY

Expleo South Africa International (PTY)

Group Expleo Technology Belgium SPRL

Expleo South Africa Holding (PTY)

Assystem Brime Engineering Consulting (Shanghai) Co Ltd

Silver Atena GmbH

Expleo Romania SRL

Expleo Plastic Solutions

Expleo Talent International Management SA

Expleo Canada

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

Expleo Group SAS

SQS Calidad Informatica Profesional SL

#### (vii) Post employment benefit plan:

Expleo Solutions Employees' Group Gratuity Scheme

Expleo India Infosystems Private Limited EGGCLAS Gratuity Fund Account

#### b) Transactions with Related Parties

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Income</b>				
<b>Income from Services rendered</b>	Holding Company	Expleo Technology Germany GmbH	347.21	385.18
	Fellow Subsidiary	Expleo Technology UK Ltd	325.02	227.23
	Fellow Subsidiary	Expleo Netherlands B.V.	8.13	21.59
	Fellow Subsidiary	Expleo Technology USA Inc	146.54	65.29
	Fellow Subsidiary	Expleo Group Austria GmbH	201.69	202.13
	Entity under common control	Expleo Technology Ireland Ltd	578.82	435.08
	Entity under common control	Expleo South Africa (PTY)	34.06	-
	Entity under common control	Expleo Engineering UK Ltd.	69.78	59.74
	Entity under common control	Expleo Germany GmbH	149.78	81.57
	Entity under common control	SQS Portugal LDA	2.55	-
	Entity under common control	Expleo Technology Switzerland AG	(0.03)	4.49
	Entity under common control	Expleo Services SASU	77.63	54.73
	Entity under common control	Expleo Technology Nordic AB	1.27	-
	Entity under common control	Group Expleo Technology Belgium	17.19	0.32
	Entity under common control	Expleo Regions SASU	7.48	5.10
	Entity under common control	Silver Atena GmbH	37.21	1.35
	Entity under common control	Expleo Romania SRL	7.04	1.78
	Entity under common control	Expleo Talent International Management SA	0.20	-
	Entity under common control	Expleo France SASU	352.23	242.31
	Entity under common control	Expleo Iberia SL	-	0.44



**Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

**Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)**

**b) Transactions with Related Parties (Contd.)**

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Interest on loan given</b>	Entity under common control	Expleo Services SASU	21.17	8.77
<b>Expenses</b>				
<b>Managerial remuneration</b>	Key Management Personnel	Balaji Viswanathan	23.46	21.75
	Key Management Personnel	Desikan Narayanan	8.00	7.89
	Key Management Personnel	Phani Tangirala	12.62	11.65
<b>Director's Sitting Fees and Commission</b>	Key Management Personnel	Prof. K. Kumar	2.17	1.77
	Key Management Personnel	Prof. S. Rajagopalan	2.19	1.77
	Key Management Personnel	Rajiv Kuchhal	2.11	1.63
	Key Management Personnel	Ulrich Bäumer	1.71	1.33
	Key Management Personnel	Lilian Jessie Paul	1.95	-
<b>Expenses for services rendered</b>	Holding Company	Expleo Technology Germany GmbH	4.42	9.26
	Fellow Subsidiary	Expleo Technology Egypt	3.22	5.85
	Fellow Subsidiary	Expleo Technology UK Ltd	-	14.08
	Fellow Subsidiary	Expleo Netherlands B.V.	-	2.14
	Entity under common control	Group Expleo Technology Belgium	165.22	91.74
	Entity under common control	Expleo France SASU	65.77	50.83
	Entity under common control	Expleo Romania SRL	2.31	-
	Entity under common control	Expleo Maroc SAS	0.86	-
	Entity under common control	Expleo Technology Ireland Ltd	-	2.94
	Entity under common control	Expleo Services SASU	-	54.53
	Entity under common control	Expleo Finland OY	-	1.10
	Entity under common control	Expleo Engineering UK Ltd	-	0.20
	Entity under common control	Expleo South Africa International (PTY)	-	6.15
	Entity under common control	SQS Calidad Informatica Profesional SL	0.01	-
	Entity under common control	Expleo Iberia, SL	9.12	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b><u>Other Transactions</u></b>				
<b>Loan Given</b>	Entity under common control	Expleo Services SASU	250.68	195.66
<b>Contribution paid to the Group Gratuity Scheme</b>	Post employment benefit plan	Expleo Solutions Employees' Group Gratuity Scheme	26.50	21.36
	Post employment benefit plan	Expleo India Infosystems Private Limited EGGCLAS Gratuity Fund Account	4.04	7.00
<b>Cost Reimbursement Received</b>	Holding Company	Expleo Technology Germany GmbH	16.93	9.80
	Fellow Subsidiary	Expleo Technology UK Ltd	16.27	12.45
	Fellow Subsidiary	Expleo Group Austria GmbH	1.72	20.66
	Fellow Subsidiary	Expleo Technology USA Inc	0.62	4.27
	Fellow Subsidiary	Expleo Netherlands B.V.	0.25	0.40
	Fellow Subsidiary	Expleo Technology Egypt	0.33	0.78
	Entity under common control	Expleo Technology Ireland Ltd	1.88	13.74
	Entity under common control	Expleo France SASU	16.20	10.42
	Entity under common control	Expleo Germany GmbH	2.30	1.63
	Entity under common control	Expleo South Africa (PTY)	0.53	0.33
	Entity under common control	Expleo South Africa Holding (PTY)	-	0.75
	Entity under common control	Expleo Canada	-	0.07
	Entity under common control	Assystem Brime Engineering Consulting (Shanghai) Co Ltd	0.08	0.09
	Entity under common control	Silver Atena GmbH	0.23	0.08
	Entity under common control	Expleo Iberia SL	0.69	0.47
	Entity under common control	Expleo Maroc SAS	0.22	0.13
	Entity under common control	Expleo Romania SRL	2.77	1.60
	Entity under common control	Expleo Technology Nordic AB	0.17	0.13
	Entity under common control	Expleo Engineering UK Ltd	2.89	4.80
	Entity under common control	Expleo Services SASU	17.02	0.97

**Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

**Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)**

**b) Transactions with Related Parties (Contd.)**

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Cost Reimbursement Paid</b>	Holding Company	Expleo Technology Germany GmbH	11.41	-
	Fellow Subsidiary	Expleo Netherlands B.V.	0.65	-
	Fellow Subsidiary	Expleo Technology UK Ltd	28.00	(3.41)
	Fellow Subsidiary	Expleo Technology USA Inc	1.55	-
	Entity under common control	Expleo France SASU	108.20	126.67
	Entity under common control	Expleo Regions SASU	-	0.33
	Entity under common control	Expleo Germany GmbH	-	4.50
	Entity under common control	Expleo Services SASU	40.99	7.85
	Entity under common control	Group Expleo Technology Belgium	18.85	21.99
	Entity under common control	Expleo Romania SRL	3.47	79.65
	Entity under common control	Expleo Plastic Solutions	-	363.48
	Entity under common control	Expleo Maroc SAS	-	3.07
	Entity under common control	Expleo Technology Ireland Ltd	0.38	-
	Entity under common control	Expleo Engineering UK Ltd	0.81	-
	Entity under common control	Expleo South Africa (PTY)	7.50	-
	Entity under common control	Expleo Iberia SL	2.39	43.37
	Entity under common control	Expleo South Africa International (PTY)	1.82	-

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	As at March 31, 2023	As at March 31, 2022 (Restated)
<b>Outstanding Balances</b>				
<b>Amounts Receivable from</b>	Holding Company	Expleo Technology Germany GmbH	70.95	132.77
	Fellow Subsidiary	Expleo Group Austria GmbH	123.21	67.43
	Fellow Subsidiary	Expleo Technology UK Ltd	9.47	23.67
	Fellow Subsidiary	Expleo Netherlands B.V.	3.19	3.91

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties (Contd.)

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	As at March 31, 2023	As at March 31, 2022 (Restated)
	Fellow Subsidiary	Expleo Technology USA Inc	32.33	14.73
	Entity under common control	Expleo Technology Ireland Ltd	63.49	60.47
	Entity under common control	Expleo Technology Switzerland AG	(0.03)	1.30
	Entity under common control	Expleo Germany GmbH	101.75	39.45
	Entity under common control	Expleo South Africa (PTY)	5.32	9.89
	Entity under common control	Expleo South Africa Holding (PTY)	(0.58)	-
	Entity under common control	Expleo France SASU	193.79	51.06
	Entity under common control	Expleo Services SASU	50.99	7.42
	Entity under common control	Assystem Brime Engineering Consulting (Shanghai) Co Ltd	0.28	0.10
	Entity under common control	Expleo Maroc SAS	0.39	0.13
	Entity under common control	Expleo Romania SRL	7.17	0.45
	Entity under common control	Expleo Technology Nordic AB	0.46	0.14
	Entity under common control	Group Expleo Technology Belgium SPRL	(0.06)	0.38
	Entity under common control	Expleo Engineering UK Ltd	22.54	1.07
	Entity under common control	SQS Portugal LDA	2.55	-
	Entity under common control	Expleo Regions SASU	7.75	-
	Entity under common control	Expleo Talent International Management SA	0.20	-
	Entity under common control	Silver Atena GmbH	12.16	-
	Entity under common control	Expleo Canada	(0.27)	-
<b>Amounts Payable to</b>	Holding Company	Expleo Technology Germany GmbH	0.23	0.41
	Fellow Subsidiary	Expleo Netherlands B.V.	-	0.32
	Fellow Subsidiary	Expleo Technology UK Ltd	57.40	13.86
	Fellow Subsidiary	Expleo Canada	-	0.25
	Fellow Subsidiary	Expleo Technology Egypt	2.12	6.21

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

## Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

## b) Transactions with Related Parties (Contd.)

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			As at March 31, 2023	As at March 31, 2022 (Restated)
	Entity under common control	Group Expleo Technology Belgium SPRL	49.22	42.12
	Entity under common control	Expleo Technology Ireland Ltd	0.03	0.91
	Entity under common control	Expleo Engineering UK Ltd	-	0.18
	Entity under common control	Expleo Germany GmbH	-	3.88
	Entity under common control	Expleo France SASU	208.41	117.39
	Entity under common control	Expleo Services SASU	30.91	12.52
	Entity under common control	Expleo South Africa (PTY)	0.35	4.30
	Entity under common control	Expleo South Africa Holding (PTY)	-	0.55
	Entity under common control	Expleo Romania SRL	1.09	20.40
	Entity under common control	Expleo Iberia SL	52.50	22.52
	Entity under common control	Expleo South Africa International (PTY)	0.33	1.38
	Entity under common control	Expleo Maroc SAS	0.01	2.51
	Entity under common control	Expleo Group SAS	3.40	1.61
	Entity under common control	Expleo Regions SASU	0.31	0.29
	Entity under common control	Silver Atena GmbH	-	0.41
	Entity under common control	Expleo Technology USA, Inc	0.39	-
	Entity under common control	Expleo Plastic Solutions	-	261.17
<b>Provision for expenses</b>	Key Management Personnel	Balaji Viswanathan	6.28	3.77
	Key Management Personnel	Desikan Narayanan	1.15	1.42
	Key Management Personnel	Phani Tangirala	0.81	0.74
	Key Management Personnel	Prof. K. Kumar	1.63	1.25

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 41 : Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties (Contd.)

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			As at March 31, 2023	As at March 31, 2022 (Restated)
	Key Management Personnel	Prof. S. Rajagopalan	1.63	1.25
	Key Management Personnel	Rajiv Kuchhal	1.63	1.25
	Key Management Personnel	Ulrich Bäumer	1.63	1.25
	Key Management Personnel	Lilian Jessie Paul	1.63	1.25
<b>Outstanding Balance of Loan Given</b>	Entity under common control	Expleo Services SASU	466.11	192.68
<b>Interest Receivable on loan</b>	Entity under common control	Expleo Services SASU	9.33	2.08

#### c) Details of Compensation paid to Key Management Personnel (KMP)

Particulars	Nature of Relationship	Details	Rs. In Millions	
			For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
<b>Employee benefits expense</b>	Key Management Personnel	Short term benefits	44.08	41.29
		Post employment benefits*	-	-
		Other long term benefits*	-	-
		Termination benefits	-	-
		Share based payments	-	-
		<b>Total</b>		<b>44.08</b>

\* Remuneration to Key Managerial Personnel does not include charge for gratuity and compensated absences, as employee-wise breakup is not available.

#### Note 42: Merger

Approval to the Scheme of Amalgamation ("the Scheme") involving, Expleo India Infosystems Private Ltd (EIPL) (Transferor Company 1), Expleo Technologies India Private Ltd (Transferor Company 2), Expleo Engineering India Private Ltd (Transferor Company 3), and Silver Software Development Centre Private Ltd (Transferor Company 4), all entities under common control, with Expleo Solutions Ltd (ESL) (Transferee Company), and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 was accorded by the NCLT Chennai Bench vide its Order pronounced on February 15, 2023, by the NCLT Mumbai Bench vide its Order pronounced on February 17, 2023 and by the NCLT Bengaluru Bench vide its Order pronounced on February 28, 2023. Pursuant to the filing of the certified copies of the Order sanctioning the Scheme of the respective NCLTs with the Registrar of Companies (ROC) of the Transferor Companies on March 17, 2023 and March 31, 2023 respectively, and

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 42: Merger (Contd.)

with ROC Chennai on April 1, 2023, the Scheme has come into operation from April 1, 2023, which shall be deemed to be the Effective Date, with the Appointed Date of April 1, 2022.

The objective of the merger was to consolidate all the Indian businesses of Expleo Group into a single entity to enhance business focus, improve synergies and focus on long term value creation, and to simplify the corporate structure through a Scheme of Amalgamation for merger.

Considering that the Transferor Companies are entities under common control, as defined in Ind AS 103 - Business Combinations, the Company has accounted for the said business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 - Business Combinations, which mandates that, the financial information in the financial statements in respect of prior periods be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements i.e. from April 1, 2021, irrespective of the actual date of the business combination.

The carrying value of the assets and liabilities of the group entities as at April 1, 2021, as appearing in the audited Special Purpose Ind AS Financial Statements as at March 31, 2022, audited by us, have been incorporated in the books of account of the Company at their respective book values and inter-company balances if any, have been cancelled. The difference of Rs.1,213.51 Million between the value of share capital issued and the amount of share capital of the Transferor Company has been transferred to Capital Reserve.

The Company is required to issue and allot 459 fully paid up equity shares of face value Rs.10/- for every 10 fully paid up equity shares of face value Rs.10/- held by the Shareholders of Transferor Company 1. Pursuant to this, total 5,267,254 fully paid up equity shares of Rs.10/- each is required to be issued and allotted at Rs.837.19 per share to the eligible Shareholders of Transferor Company 1 on the record date i.e. April 24, 2023 as fixed by the Board of Directors. The equity shares of Transferor Companies 2, 3 and 4 shall stand cancelled and extinguished. These shares were allotted to the eligible shareholders of Transferor Company 1 on May 9, 2023.

Pursuant to the Scheme becoming effective, the authorised share capital of the Transferor Companies stands merged with the Company and accordingly, the authorised share capital of the Company stands increased from Rs.12,00,00,000 consisting of 1,20,00,000 equity shares of Rs.10/- each to Rs.32,70,00,000 consisting of 3,27,00,000 equity shares of Rs.10/- each.

### The impact of the Scheme is given as under:

#### Impact on Statement of Profit & Loss

(Rs. In Millions)

Particulars	For the Year Ended March 31, 2022	
	Published	Restated
Revenue from Operations	4,045.10	7,425.35
Profit before Tax	721.45	1,101.07
Profit after Tax	539.04	676.78

#### Impact on Balance Sheet

(Rs. In Millions)

Particulars	As At March 31, 2022	
	Published	Restated
Net Worth	2,551.98	3,945.78
Total Assets	3,443.76	5,940.26

**Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

**Note 43 : Additional Information, as required under Schedule III to the Companies Act, 2013, of Enterprises consolidated as subsidiaries**

Name of the entity	Net Assets i.e. total assets minus liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount (Rs. In Millions)	As % of consolidated profit or loss	Amount (Rs. In Millions)	As % of consolidated OCI	Amount (Rs. In Millions)	As % of TCI	Amount (Rs. In Millions)
<b>As at March 31, 2023</b>								
<b>Parent</b>	89%	4,730.33	92%	1,233.43	89%	15.74	92%	1,249.17
<b>Subsidiaries</b>								
<b>Foreign</b>								
1) Expleo Solutions Pte. Ltd., Singapore	3%	152.34	2%	21.30	-	-	2%	21.30
2) Expleo Solutions Inc., USA	3%	160.42	3%	38.76	-	-	3%	38.76
3) Expleo Solutions UK Limited, UK	3%	176.38	3%	36.20	-	-	3%	36.20
4) Expleo Solutions FZE, UAE	2%	82.84	1%	9.18	11%	1.92	1%	11.11
<b>Sub-total</b>	<b>10%</b>	<b>571.99</b>	<b>8%</b>	<b>105.45</b>	<b>11%</b>	<b>1.92</b>	<b>8%</b>	<b>107.37</b>
Non-controlling interests in all Subsidiaries	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>100%</b>	<b>5,302.32</b>	<b>100%</b>	<b>1,338.88</b>	<b>100%</b>	<b>17.66</b>	<b>100%</b>	<b>1,356.34</b>

Name of the entity	Net Assets i.e. total assets minus liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount (Rs. In Millions)	As % of consolidated profit or loss	Amount (Rs. In Millions)	As % of consolidated OCI	Amount (Rs. In Millions)	As % of TCI	Amount (Rs. In Millions)
<b>As at March 31, 2022 (Restated)</b>								
<b>Parent</b>	88%	3,481.17	94%	636.11	179%	(5.61)	94%	630.50
<b>Subsidiaries</b>								
<b>Foreign</b>								
1) Expleo Solutions Pte. Ltd., Singapore	3%	131.04	2%	10.71	-	-	4%	10.71
2) Expleo Solutions Inc., USA	3%	117.59	2%	13.93	-	-	1%	13.93
3) Expleo Solutions UK Limited, UK	4%	140.17	2%	12.66	-	-	5%	12.66
4) Expleo Solutions FZE, UAE	3%	75.80	0%	3.38	30%	2.48	1%	5.86
<b>Sub-total</b>	<b>21%</b>	<b>464.61</b>	<b>6%</b>	<b>40.68</b>	<b>30%</b>	<b>2.48</b>	<b>6%</b>	<b>43.16</b>
Non-controlling interests in all Subsidiaries	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>100%</b>	<b>3,945.78</b>	<b>100%</b>	<b>676.79</b>	<b>100%</b>	<b>(3.13)</b>	<b>100%</b>	<b>673.66</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023

### Note 44: Dividend

The Board of Directors of the Company have recommended a Final Dividend of Rs. 5/- per equity share of Rs.10/- each. (50%)

### Signatures to the Notes to the Consolidated Financial Statements.

#### For and on behalf of the Board

**RALPH FRANZ GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 25, 2023

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 25, 2023

**DESIKAN NARAYANAN**

Chief Financial Officer

Place : Chennai, India

Date : May 25, 2023

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

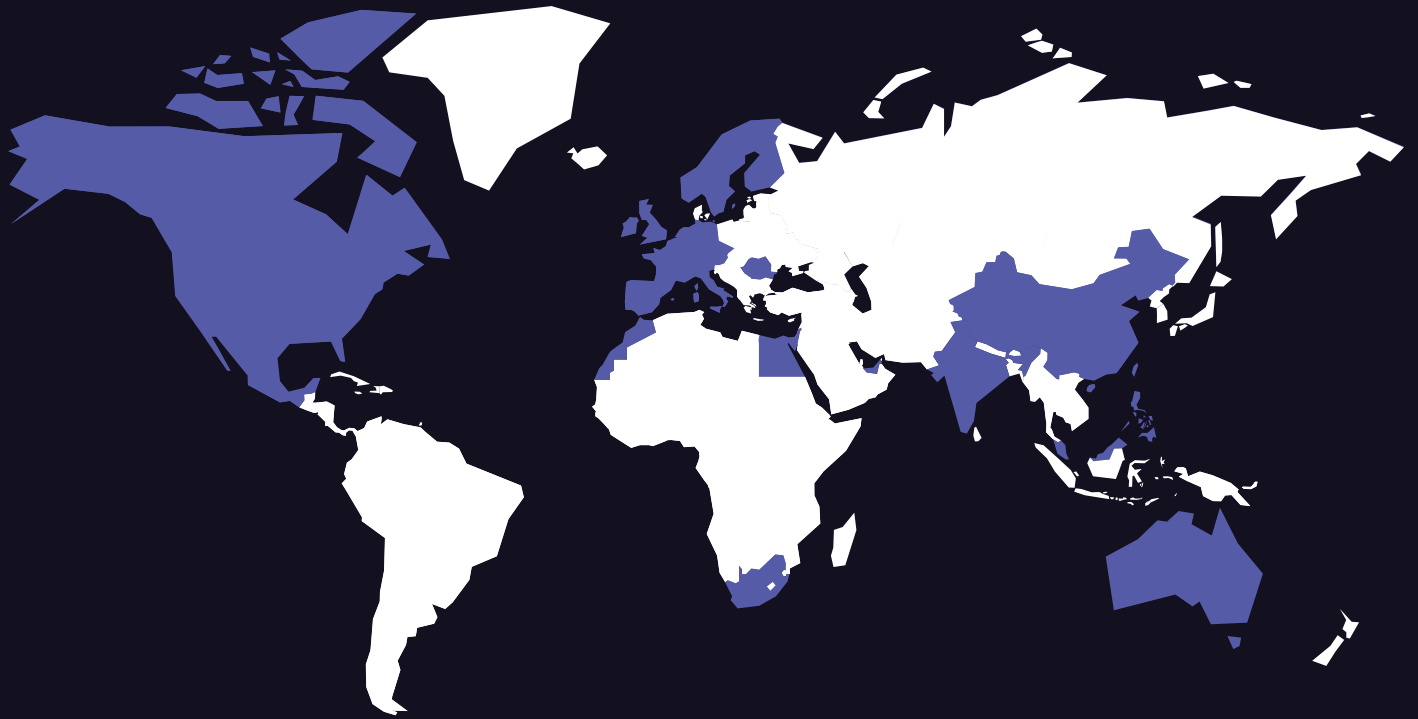
ICSI Membership No. F3838

Place : Chennai, India

Date : May 25, 2023

## Strategically positioned to build value

---



### **EXPLEO SOLUTIONS LIMITED**

6A, Sixth Floor, Prince Infocity II No. 283/3 & 283/4, Rajiv Gandhi Salai (OMR),  
Kandanchavadi, Chennai - 600 096, India. T: +91 44 43923200



# EXPLEO SOLUTIONS LIMITED

Regd. Off: 6A, Sixth Floor, Prince Infocity II, 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai – 600 096  
Tel No: +91 44 4392 3200, Fax No: +91 44 4392 3258 Email: [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com)  
Web: <https://investors.expleo.com> CIN: L64202TN1998PLC066604

## NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of Expleo Solutions Limited will be held on **Thursday, August 10, 2023 at 3.30 p.m., IST, through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 with the reports of the Board of Directors’ and Auditor’s thereon.
  - b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and Auditor’s Report thereon.
2. To appoint a Director in place of Mr. Rajesh Krishnamurthy (DIN - 08288884) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To declare a Final Dividend of Rs.5/- per share of the face value of Rs.10/- each for the Financial Year 2022-23.

### SPECIAL BUSINESS

#### 4. Approval of Related Party Transactions:

To consider and, if thought fit, with or without modification/s, to pass following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** in supersession of all earlier resolutions passed pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be in force from time to time and subject to such approvals, consents, sanctions and permissions of any regulatory authority as may be necessary, approval of the shareholders of the Company be and is hereby accorded to the Board of Directors to enter into a contract(s) / arrangement(s) / transaction(s) with parties as detailed in the table forming part of the Explanatory Statement annexed to this notice with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing and rendering of any services, transfer of resources, services or obligations and appointment of agent for purchase or sale of goods, materials, services or property, in any financial year, on the following terms and conditions:

1.	Name of the Related Parties	Expleo Group SAS, its Associates and Subsidiaries as per list given in the Explanatory Statement.
2.	Nature of Relationship	Holding Company, Fellow Subsidiaries and entities under common control.

3	Nature of Transactions	Sale, purchase or supply of goods or materials, availing and rendering of any services, transfer of resources, services or obligations, leasing of property of any kind and appointment of agent for purchase or sale of goods, materials, services or property ( <b>"Transactions"</b> ).
4	Value of Transactions – Rendering of services <b>from</b> – a) Expleo Solutions Limited together with all its Subsidiaries or b) All Subsidiaries of Expleo Solutions Limited <b>to</b> Expleo Group SAS, its Associates and Subsidiaries with the entities collectively mentioned in Sl. No.1 above.	Upto INR 3,600 Million per annum  Upto INR 400 Million per annum
5	Value of Transactions – Availing of services <b>from</b> – Expleo Group SAS, its Associates and its Subsidiaries mentioned in Sl. No.1 above <b>to</b> a) Expleo Solutions Limited together with all its Subsidiaries or b) All Subsidiaries of Expleo Solutions Limited.	Upto INR 1,300 Million per annum  Upto INR 800 Million per annum
6	Value of Transaction – Providing Loan to Expleo Group companies by the Subsidiaries of Expleo Solutions Limited.	Upto INR 2,800 Million per annum
7	Period	For every financial year.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalize and execute all such documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

##### **5. Change of Object Clause of the Memorandum of Association of the Company:**

To consider and, if thought fit, to pass with or without modification/s, the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 13 of the Companies Act, 2013 (“the Act”) including any modification or re-enactment thereof and other applicable provisions thereof the Objects clause of the Memorandum of Association of the Company be and is hereby altered and amended as follows:

- A. The existing Main Objects under Clause III (A) under the head **“THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS CORPORATION”** be altered by replacing the same with the following new Clause III (A) as under:

1. To manufacture, process, produce, test, certify, review, purchase, sell or otherwise transfer, lease, import, export, hire, license, use, dispose of, operate, fabricate, construct, distribute, assemble, design, charter, acquire, market, recondition, work upon or otherwise, generally deal in any or all types of data communications, productions or tele-communications including but not limited to computer software and programs in any form, documentations, installation programs, software prototypes and program products of any and all description.
2. To establish and carry on all or any form of business relating to information technology, telecommunication, computer aided design (CAD), computer aided manufacture (CAM), computer aided engineering (CAE), product data management (PDM) work and other allied, ancillary and incidental development activities including software and middleware development without prejudice to the generality, application software and system software, research and development, advisory and consulting activities pertaining to computer graphics, designs and other related information and communication technologies and engineering services, to carry on the business of manufacture, purchase, sell, export, hire, lease out, fabricate, design, hardware and software for the Computer and Telecommunication and engineering and consulting services up to the execution of completely outsourced product development processes for embedded software including but not limited to software with a focus on high integrity systems; the services include all relevant stages along with product development process chain, from product definition and specification up to integration testing and documentation and to carry on the business of Computer Software Development of all kinds, to promote, encourage, plan, develop, design, establish, maintain, organize, undertake, manage, operate, test and to run in India or abroad computer software, database administration, consultation, software testing, data processing, dissemination of knowledge and skills to the foregoing, computer educational and courseware development and to carry on the work of development of software and related services in all kinds and fields including export of computer software and services and to carry on business as developers, designers, engineers, manufacturers, buyers, sellers, indentors, hirers, lessors, importers, exporters, agents, consultants and dealers of all types of computer software and software maintenance for all types of computer applications and for all types of computer systems and system integration of hardware, software for all types of applications.
3. To undertake study, design and development, implementation, training and all other activities relating to computer aided designs and graphics and to engage in manufacturing of any or all products and to engage in the business of sale, import and export of packaged software and customized software including reversed engineering solutions and to carry on the business of data processing, consultancy services and preparation of project reports and other allied services for computer Industry and to carry on the business as developers, designers, engineers, manufacturers, buyers, sellers, indentors, hirers, lessors, importers, exporters, agents, consultants and dealers of all types of computer systems including hardware, firmware and peripherals and maintenance of all types of computer systems.
4. To provide consultancy services related to the preparation, design, testing, certification and enhancement and maintenance of accounting, statistical, scientific or mathematical information and reports, data processing, programming, collecting, storing, processing and transmitting information and data of every kind and description including systems analysis and machine services for solving or aiding commercial, industrial, scientific and research problems and for all other related business.
5. To carry on all or any of the businesses of suppliers, distributors, converters, carriers, stores, processors and importers and exporters of any raw materials or any products or by-products derived from any such business under conditions of direct ownership or through its associates, franchise, licensee or subsidiary companies.
6. To carry on the business of trading, dealing, importing, exporting, servicing, selling, developing repairing, exchanging, distributing' of software like computer software including data

processing, scientific software including real-time numerical control and related software required in computer aided design, knowledge based systems, quality assurance and software testing' information technology software used in automation, plant and machinery' systems' techniques and to produce orders from Indian or overseas customers and render technical service as are necessary in processing and completion of such orders.

7. To carry on the business of engineering services and IT services and operations including software development and to carry on the business of process, procurement and outsourcing consulting and to provide training and related services in the areas of engineering, research and IT services and other related fields and to render assistance in selection and supply of software and hardware including peripherals and documentation; recruitment, selection and training of software and hardware personnel for off shore and on site assignments of the Company or customers of the Company.
  8. To undertake and carry on the business of purchasing, acquiring, selling, developing, manufacturing, trading, subcontracting and other allied, ancillary and incidental activities of all kinds of goods in the area of aerospace, automotive, energy, rail and program management of physical manufacturing of aerospace and automotive industry related tooling, automated test equipment and test benches.
  9. To interact with universities, research centers, organizations and companies in the various fields of engineering, research and IT services and operations including testing, software development and to maintain engineers, researchers and employees and to publish technical literature, magazines, information regarding technical and non-technical topics in bulletins, books, periodicals, journals, newsletters, newspapers, etc and to conduct, organize and to participate, seminars, conferences, exhibitions and workshops to popularize the activities and work results of the Company and marketing and selling the produced results of all the activities and work results within and outside India and to provide consultancy, engineering, technical know-how and support, training and other services.
- B. Under Clause III (C) : The following other objects be inserted after existing s.no. (4) under the Other Object Clause in Clause III (C):
5. To carry on the business of acting as advisors and consultants on all matters relating to technical industries, civil, administration, finance and organization management, marketing and to be appointed as technical, financial consultants.
  6. To carry on the business of manufacture of construction materials, sputtering, scaffolds and construction components and to act as contractors, builders, developers of property and construction engineers and to construct, execute, carry equip, improve, work repair and construct houses, chawls, flats, apartments, commercial centers/premises, theaters, dock, roads, bridges, reclamations, canals, water ways, reservoirs, sewages, drainage and other sanitary work and installations of water, gas, electric and supply houses.
  7. To manufacture, assemble, market, fabricate, lease, supply distribute, buy, sell, import, export, design, manipulate, exchange, alter, improve, prepare, install, maintain, repair or otherwise deal in electronic equipment's including electronic typewriters, printers, word processors, mini and micro computers, computer peripherals, microprocessor-based equipment, floppy diskettes, Winchester hard disc drives, terminals, monitors, daisy wheel printers, black and white and color televisions, photocopy and photographic equipment, telephone and telecommunication equipment, teleprinters, private automatic branch exchanges, electronic and electrical gadgets, video recorders, video games, electronic calculator, radar equipment, electronic accounting and business machines, electronic control instruments, electronic cash registers and cheque writing machines, intercom equipment, electronic sound and amplifier systems, projection electronic hobby kits, electronic hardware, electronic clocks equipment, TV signal boosters, electronic X-ray and other medical equipment, electronic synthesizers, electronic sirens, radio telephones, electronic navigational aids, electronic alarm systems, electronic traffic control systems,

electronic laboratory equipment, electronic controlled washing machines, electronic weighing machines, video cassette recorders, video cassette players, deflection components, fly back transformers, video projection equipment, electronic toys and games, and screens, audio and video cassettes.

**RESOLVED FURTHER THAT** necessary revision in numbering the clause III (B) of the Memorandum of Association of the Company shall be carried out.

**RESOLVED FURTHER THAT** Mr. Balaji Viswanathan, Managing Director & CEO, Mr. Prashant Eknath Bramhankar, Whole-time Director & Chief Operating Officer, Mr. Desikan Narayanan, Chief Financial Officer and Mr. S. Sampath Kumar, Company Secretary and Compliance Officer of the Company, be and are hereby authorized severally to do all such acts, deeds, matters and things as may be deemed proper, necessary or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**By order of the Board of Directors  
For Expleo Solutions Limited**

Place : Chennai  
Date : May 25, 2023

**S. Sampath Kumar**  
Company Secretary & Compliance Officer  
FCS No.3838

## Notes:

1. Since this AGM will be held through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'), (a) Members will not be able to appoint proxies for the meeting, and (b) Attendance Slip & Route Map are not annexed to this Notice.
2. Corporate members intending to attend and vote at the meeting through VC/OAVM by their Authorized Representatives are requested to send a duly certified copy of the Board Resolution / Power of Attorney to the Company through e-mail to [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com) authorizing their representatives to attend and vote at the meeting.
3. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, and in compliance with the Circular No. 10/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), electronic copy of the Notice of the 25<sup>th</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website <https://investors.expleo.com/expleo-solutions/financial/>, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of Central Depository Services India Limited ("CDSL") (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
4. The Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the special business under Item No. 4 and 5 of the Notice, is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment at this AGM are also annexed.
5. Participants, i.e. Members and other eligible persons to whom this notice is being circulated are allowed to submit their queries / questions etc. mentioning their name, DP ID and Client ID / Folio Number and Mobile Number at least 2 days before the AGM in advance to the e-mail address of the Company: [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com). Further, queries / questions may also be posed concurrently during the AGM.
6. The facility of joining the 25<sup>th</sup> AGM through VC/ OAVM will be opened 30 minutes before and will be open upto 15 minutes after the scheduled start time of the 25<sup>th</sup> AGM and will be available for 1,000 members on a first-come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors, etc.
7. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
8. Pursuant to the MCA Circulars and SEBI Circulars in view of the prevailing situation, the Notice of the 25<sup>th</sup> AGM and the Annual Report for the year 2022-23 including therein the Audited Financial Statements for the year 2022-23, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 25<sup>th</sup> AGM and the Annual Report for the year 2022-23, can get their email address registered by following the steps as given below:
  - a. For Members holding shares in physical form, please send an email request mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, Aadhaar) supporting the registered address of the Member, to the Company's email address [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com).



- b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
9. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, August 4, 2023 to Thursday, August 10, 2023 (both days inclusive)** (both days inclusive) for annual closing.
10. The information under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of the Director seeking appointment / re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declaration for appointment / re-appointment.
11. Subject to the provisions of the Companies Act, 2013, final dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration to those Members whose name appear on the Register of Members as on Friday, July 14, 2023.
12. Members whose shareholding is in the electronic mode are requested to direct change of address, nominations, e-mail ID notifications and update the savings bank account details with their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends through NACH / NEFT / RTGS facility by providing latest bank account details for prompt credit and for avoiding fraudulent encashment / loss in postal transit of dividend demand draft. Members holding shares in physical form are requested to advise any change in their residential address or bank mandates immediately to the Company / Cameo Corporate Services Limited.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank Account details to the Company / Cameo Corporate Services Limited.
14. All documents referred to in the notice requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection in electronic mode by the Members by writing an e-mail to: [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com) during normal business hours on working days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the annual general meeting.
15. In terms of requirements of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("the Rules"), the Company is required to transfer the shares, in respect of which the dividend remains unpaid or unclaimed for a period of seven consequent years to the IEPF account established by the Central Government. During the year, the Company had accordingly transferred 429 Equity Shares pertaining to Final Dividend for the Financial Year 2014-15 and 683 Equity Shares pertaining to Interim Dividend for the Financial Year 2015-16 to the IEPF Authority. Members who have failed to encash their dividend warrants/demand drafts pertaining to the financial years from 2015-16 to 2017-18 are advised to immediately send requests to Company / Registrar and Share Transfer Agent (RTA) to claim their dividends.
16. Any person whose shares has been transferred to the Fund, may claim the shares from the authority by submitting an online Application form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and after making an online application in form IEPF-5, copy of the same should be forwarded to the Company for verification of his claim.
17. The Company has uploaded the information in respect of the Unclaimed Shares Transferred to IEPF Authority in respect of the Final Dividend for the Financial Year 2014-15 and Interim Dividend for the Financial Year 2015-16 under "Investors Section" on the website of the Company, viz., <https://investors.expleo.com/corporate-governance/> - Transferred to IEPF.

18. Members holding shares in single name and physical form are advised to make nomination in Form SH-13 in respect of their shareholding in the Company. The nomination form can be obtained from the Company / Cameo Corporate Services Limited.
19. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly, as per the amended regulation that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In this regard, Members are requested to dematerialize / demat their shares or securities held in physical form.
20. All communications relating to shares may please be addressed to the Company's Registrar and Share Transfer Agent at the following address:
- M/s. Cameo Corporate Services Limited  
 'Subramanian Building',  
 No.1, Club House Road, Chennai 600 002  
 Tel : +91 44 2846 0390 / +91 44 4002 0700  
 Email : [investor@cameoindia.com](mailto:investor@cameoindia.com)
21. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if he / she is already registered with CDSL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
22. Members may note that the Board, at its meeting held on May 25, 2023 has recommended a final dividend of Rs. 5/- per share. The record date for the purpose of final dividend for FY 2022-23 is July 14, 2023. The final dividend, once approved by the members in the ensuing AGM, will be paid on or before September 09, 2023 electronically through various online transfer modes to those members who have updated their bank account details. For members, who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on or before the above said date.
23. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

**For resident shareholders:**

Taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10% * or as notified by the Government of India (GOI)
Members not having PAN / valid PAN	20% or as notified by the GOI

\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under section 206AB of the Finance Act, 2021.

\* As per section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he shall be liable to all

consequences under the IT Act and tax shall be deducted at the higher rates as prescribed under the IT Act.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2023-24 does not exceed Rs. 5,000/- and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

#### **For non-resident shareholders:**

Taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%\*\* (plus applicable surcharge and cess) or as notified by the GOI on the amount of dividend payable. However, as per Section 90 of the IT Act, non resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962.
- Copy of the Tax Residency Certificate for financial year 2023-24 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholder.
- Electronic Form 10F as per notification no. 03/2022 dated July 16, 2022 issued by the Central Board of Direct Tax [Notification can be read under notification-no-3-2022-systems.pdf (incometaxindia.gov.in)]. Form 10F can be obtained electronically through the e-filing portal of the income tax website at <https://www.incometax.gov.in/iec/foportal>.
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes, if applicable, duly attested by the shareholders.

#### **For Foreign Portfolio Investor (FPI)/(FII) Shareholders**

In case of Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the IT Act at the rate of 20%\*\* (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

\*\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section. However, in case of a non-resident shareholder or a non-resident FPI / FII, the higher rate of tax as mentioned in section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

The aforementioned documents are required to be submitted to our Registrars & Transfer Agents, Cameo Corporate Services Limited through email to: [agm@cameoindia.com](mailto:agm@cameoindia.com) or through their dedicated link (<https://investors.cameoindia.com>), on or before Monday, July 24, 2023, 5:00 p.m. Indian Standard Time (IST). This submission is necessary for the Company to determine and deduct the appropriate TDS/withholding tax rate. Shareholders may write to: [investors.expleosol@expleogroup.com](mailto:investors.expleosol@expleogroup.com) for any clarification on this subject.

TDS certificates in respect of tax deducted, if any, will be sent to their Registered Address after remittance of tax to the Income Tax authorities. Shareholders can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or “View Your Tax Credit” on <https://www.tdscpc.gov.in>.

Members are requested to address all correspondence, including dividend related matters to RTA, Cameo Corporate Services Limited at their email address: [komalar@cameoindia.com](mailto:komalara@cameoindia.com).

24. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA & SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the venue voting system on the date of the AGM will be provided by CDSL. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. As per the provisions of the Companies Act, 2013, it may be noted that Voting by show of hands will not be available to the members.

**The instructions for shareholders voting electronically are as under:**

Step 1: Access through Depositories CDSL / NSDL e-voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The e-voting period begins on **Monday, August 7, 2023 (9.00 a.m. IST)** and ends on **Wednesday, August 9, 2023 (5.00 p.m. IST)**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Thursday, August 3, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting **to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL / NSDL e-voting system in case of individual shareholders holding shares in demat mode.**

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, 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 in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method **for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode with CDSL / NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi Tab.</li> <li>2) After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IdeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

	<p>2) If the user is not registered for IdeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “Register Online for IdeAS” Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL</b></p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at Toll free no. 1800 22 55 33</p>
<p>Individual Shareholders holding securities in Demat mode with <b>NSDL</b></p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

**Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.

- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user, follow the steps given below:

	<b>For Physical Shareholders and other than individual shareholders holding shares in Demat mode</b>
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Expleo Solutions Limited> on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [vsureshpcs@gmail.com](mailto:vsureshpcs@gmail.com) or [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at ([investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com)). These queries will be replied to by the Company suitably by email.



8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM 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 system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES / MOBILE NUMBERS ARE NOT REGISTERED WITH THE DEPOSITORIES:**

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at [investor.expleosol@expleogroup.com](mailto:investor.expleosol@expleogroup.com) / RTA at [investor@cameoindia.com](mailto:investor@cameoindia.com).
2. For Demat shareholders - Please update your Email ID & Mobile Number with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your Email ID & Mobile Number with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

**Other Instructions:**

- i) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ii) The e-voting period commences on **Monday, August 7, 2023 (9.00 a.m. IST)** and ends on **Wednesday, August 9, 2023 (5.00 p.m. IST)**. (both days inclusive). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., **Thursday, August 3, 2023**, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- iii) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date **Thursday, August 3, 2023**. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Any person, who acquires shares of the Company and becomes a member after dispatch of the Notice but before the cut-off date for voting i.e. **Thursday, August 3, 2023**, may kindly refer to the notice uploaded in the Company's website at <https://investors.expleo.com/> and website of National Stock Exchange of India Limited (NSE) at <https://www.nseindia.com/> and website of BSE Limited (BSE) at <https://www.bseindia.com/> and CDSL's website at <https://www.evotingindia.com>.
- iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- v) The Board of Directors has appointed Mr. V. Suresh, Senior Partner, (Membership No. FCS 2969 and CP No. 6032) and failing him Mr. Udaya Kumar K R, Partner (Membership No. F11533 and CP No. 21973) of Mr. V. Suresh Associates, Practising Company Secretaries First Floor, No. 28, Ganapathy Colony, 3rd Street, Teynampet, Chennai – 600 018 as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- vi) The scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and within 2 working days from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman or person authorized by the Chairman in writing for counter signature.
- vii) The Results shall be declared either by the Chairman or by any Person authorized by the Chairman in writing and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- viii) Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website <https://investors.expleo.com/> and on the website of Central Depository Services Limited and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.

## Annexure to the Notice

### **INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND APPLICABLE SECRETARIAL STANDARDS IN RESPECT OF DIRECTORS BEING RE-APPOINTED / APPOINTED AND EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013.**

#### **Item no. 2 - Re-appointment of Mr. Rajesh Krishnamurthy (DIN 08288884):**

Mr. Rajesh Krishnamurthy (Aged 53 years) is the Non-Executive Director of Expleo Solutions Limited. He is a Bachelor in Electronics Engineering from the University of Pune, India.

Mr. Rajesh Krishnamurthy (DIN 08288884) joined the Board of Directors of the Company on September 1, 2020. A notice has been received from a member proposing Mr. Rajesh Krishnamurthy as a candidate for the office of Director of the Company under Section 160 of the Companies Act, 2013.

#### **Profile of Mr. Rajesh Krishnamurthy (DIN 08288884):**

Rajesh Krishnamurthy joined Expleo Group as Chief Executive Officer on July 15, 2020. He will accelerate Expleo Group strategic transformation roadmap, with a strong focus on digitalizing its services and scaling its global delivery capabilities.

Prior to joining Expleo, Rajesh was Chief Technology and Transformation Officer for the CMA CGM Group, the French shipping and logistics leader since February, 2018. He was mandated to harness organizational change to embrace digital transformation and drive new growth. He was responsible for Group IT, digital and shared services centers across the globe.

He started his career in 1992 at Infosys, a global IT and consulting major and was an integral part of the Infosys success story and growth. At Infosys, he was President of the company's industry divisions, focused on Energy, Utilities and Telco markets globally. He was also responsible for the European region and the Infosys Global Consulting organization.

During the financial year 2022-23, Mr. Rajesh Krishnamurthy has attended 2 meetings of the Board.

Companies / Body Corporate (other than Expleo Solutions Limited) in which Mr. Rajesh Krishnamurthy holds directorships and committee memberships are as under:

#### **Directorships:**

Expleo Group SAS	Chief Executive Officer
Expleo Group SAS	President
Expleo Regions SAS	President
Vista Technologies SAS	President
Expleo Plastic Solutions SAS	President
AssysTeam1 SAS	President
AssysTeam2 SAS	President
AssysTeam3 SAS	President
Expleo Technology Germany GmbH	Chairman of Supervisory Board
Expleo Canada Inc.	Administrateur President
Expleo Services Canada Inc.	Administrateur President
Expleo USA Inc.	Director
Expleo Rus LLC	Chairman of the Board
Assystem Engineering Consulting Co Limited (China)	Board Director

**Chairman of Board Committees:**

None

**Member of Board Committees:**

None

Approval of the Members is being sought for the re-appointment of Mr. Rajesh Krishnamurthy as Non-Executive Director.

Mr. Rajesh Krishnamurthy does not hold any equity shares in the Company, including shareholding as a beneficial owner. Further, Mr. Rajesh Krishnamurthy is not related to any other Director and other Key Managerial Personnel of the Company.

**Concern or interest, financial or otherwise of Directors, Key Managerial Personnel and their relatives:**

Except Mr. Rajesh Krishnamurthy, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested, financial or otherwise, as set out at Item No. 2 of the Notice.

This Explanatory Statement together with the accompanying notice may also be regarded as a disclosure under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, and details as required under Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2).

**Item no.4 - Approval of Related Party Transactions:**

Pursuant to Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a related party with respect to transactions specified therein except with the consent of the Board of Directors given by a resolution at a meeting. Similarly, irrespective of quantum of paid up share capital, no Company shall enter into any contract or arrangement with a related party for sale, purchase or supply of goods or materials, availing and rendering of any services, transfer of resources, services or obligations, leasing of property of any kind and appointment of agent for purchase or sale of goods, materials, services or property amounting to ten per cent or more of the turnover of the Company except with the consent of the Board of Directors given by a resolution at a meeting and prior approval of shareholders. However, approval requirements as stipulated under Section 188 shall not apply to any transactions entered into by the Company which are entered in its ordinary course of business and are at arm's length.

Though exempted under Section 188(1) of the Companies Act, 2013, transactions have to be approved by the Members by way of an ordinary resolution as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in case such transactions are of material nature, i.e. if the related party transaction individually or taken together with previous transactions during a financial year reaches the materiality limit, i.e. exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company (whichever is lower).

As per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if the transaction(s) by the Company or with all its Subsidiaries together, with a related party exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company (whichever is lower), it shall require prior approval of the Audit Committee & Shareholders of the Company for the Financial Year 2023-24 and for every Financial Year thereafter, then such transaction shall be classified as material related party transaction(s) and requires approval of the shareholders by way of an ordinary resolution.

Further, as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, where the Company is not a party to the related party transaction, however, when its unlisted subsidiaries alone are parties to the related party transaction, if such related party transaction by

unlisted subsidiaries of the Company together exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, it shall require prior approval of the Shareholders of the Company for the Financial Year 2023-24 and for every Financial Year thereafter.

Though as per applicable provisions, materiality threshold has to be calculated with a related party, since, all the related parties listed hereunder are part of Expleo Group and comes under common control, as a better corporate governance practice, the Company proposes to club transaction(s) with all the related parties for purpose of calculating materiality of related party transaction(s) and seek your approval for such related party transactions, proposed to be entered into, by the Company with related parties as mentioned hereunder, by way of an **Ordinary resolution**.

**List of Related Parties - (Group Entities)**

<b>S. No.</b>	<b>Name of Entities</b>
1.	Expleo Technology Germany GmbH, Germany
2.	Expleo Group SAS France
3.	Expleo Technology Egypt
4.	Expleo Group Austria, GmbH, Austria
5.	Expleo Technology UK Ltd, UK
6.	Expleo Technology Ireland LTD
7.	Expleo Technology USA Inc.
8.	Groupe Expleo Technology Belgium SPRL, Belgium
9.	Expleo Services SASU, France
10.	Expleo France SASU, France
11.	Expleo South Africa (PTY) Ltd, South Africa
12.	Expleo Iberia S.L. Spain
13.	Expleo Engineering UK Ltd, UK
14.	Expleo Netherlands B.V Netherlands
15.	Expleo Canada Inc, Canada
16.	SQS Portugal Lda.
17.	Expleo Romania SRL
18.	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd, China
19.	Expleo Germany GmbH
20.	Expleo Maroc SAS
21.	Expleo Technology Nordic AB
22.	Expleo Technology Switzerland AG
23.	Silver Atena GmbH, Germany
24.	Expleo Regions SASU
25.	Expleo Talent International Management SA, Switzerland
26.	Expleo Portugal, Lda, Portugal
27.	Expleo South Africa Holding (PTY) Ltd, South Africa
28.	Expleo South Africa International (PTY) Ltd, South Africa
29.	Expleo Canada

30.	Expleo Life Sciences France, France
31.	Expleo – UTAC, France
32.	Expleo Plastic Solutions, France
33.	Expleo Australia PTY Ltd, Australia
34.	Expleo Services Canada, Canada
35.	Expleo Finland Oy, Finland
36.	UMS Consulting GmbH & Co. KG, Germany
37.	UMS Management GmbH, Germany
38.	Expleo Israel, Israel
39.	Expleo Italia S.P.A, Italy
40.	Expleo Mexico, S de R.L. de C.V., Mexico
41.	Expleo Germany Holding BV, Netherlands
42.	Expleo Norway AS, Norway
43.	Expleo Nordic AB, Sweden
44.	Expleo Stockholm AB, Sweden
45.	Expleo Switzerland SA, Switzerland
46.	Expleo UK Ltd, UK
47.	Moorhouse Consulting Ltd, UK
48.	Moorhouse Holdings Ltd, UK
49.	Expleo USA Inc, USA

In the Annual General Meeting dated August 11, 2022, the Company had obtained approval for limit of INR 1,900 Mn. each for rendering of services and a limit of INR 2,100 Mn for availing of services of related parties from Shareholders. The resolution set out in Item No. 4 of this Notice is for the transaction between the Company together with its Subsidiaries or Subsidiaries of the Company, on one part and Expleo Group SAS, its subsidiary & associated entities on the other part. The proposed change is to align with the regulatory requirement under Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, as amended, where the transaction by each of the subsidiaries with their related parties are considered.

The particulars of the proposed transaction pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the information to be provided to the Shareholders for consideration of Related Party Transactions as per SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is as under:

(a) A summary of the information provided by the management of the listed entity to the audit committee as specified in Ordinary Resolution Sl. No. 4 above.		
(i)	Names of the related parties	The list as given above.
(ii)	Name of the Director or Key Managerial personnel who is related	Mr. Ralph Franz Gillessen, Chairman and Non-Executive Director and Mr. Rajesh Krishnamurthy, Non-Executive Director.
(iii)	Nature of relationship	Holding Company, Entities under Common control and its Fellow Subsidiaries.
(iv)	Price	As may be mutually discussed and on arm's length basis.

(v)	Nature, Type, material terms, tenure and particulars of the contract or arrangement	The Contract will be for sale, purchase or supply of goods or materials, availing and rendering of any services, transfer of resources, services or obligations, leasing of property of any kind and appointment of agent for purchase or sale of goods, materials, services or property and will be valid for 3 years from the date of entering into the contract and shall be renewed thereafter, subject to approval of Audit Committee and the Board of Directors.
(vi)	Value of the Proposed Transaction	
	<ul style="list-style-type: none"> <li>• Value of Transactions – Rendering of services <b>from</b> – <ul style="list-style-type: none"> <li>a) Expleo Solutions Limited together with all its Subsidiaries or</li> <li>b) All Subsidiaries of Expleo Solutions Limited</li> </ul> </li> </ul> <b>to</b> Expleo Group SAS, its Associates and Subsidiaries with the entities collectively mentioned in Sl. No.1 above.	<p>Upto INR 3,600 Million per annum</p> <p>Upto INR 400 Million per annum</p>
	<ul style="list-style-type: none"> <li>• Value of Transactions – Availing of services <b>from</b> –</li> </ul> <p>Expleo Group SAS, its Associates and its Subsidiaries mentioned in Sl. No.1 above <b>to</b></p> <ul style="list-style-type: none"> <li>a) Expleo Solutions Limited together with all its Subsidiaries or</li> <li>b) All Subsidiaries of Expleo Solutions Limited.</li> </ul>	<p>Upto INR 1,300 Million per annum</p> <p>Upto INR 800 Million per annum</p>
	<ul style="list-style-type: none"> <li>• Value of Transaction – Providing Loan to Expleo Group Companies by the Subsidiaries of Expleo Solutions Limited.</li> </ul>	<p>Upto INR 2,800 Million per annum</p>
(vii)	Percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided).	The proposed transaction is between various entities as given under Item No. 4 of the notice and explanatory statement thereat. The proposed value of the transaction is the consolidated estimate of the transaction expected between the said entities. Considering the same, providing the percentage of the proposed limits as against the revenue of listed entity or that of the subsidiary as per SEBI circular may not be relevant.

(b)	Justification for why the proposed transaction is in the interest of the listed entity.	During the course of rendering and availing services, the Company leverages niche skills, capabilities and resources of entities within the group. These transactions aim at providing enhanced level of user experience to the end-consumers of Expleo Group and provide the entities within the group cutting edge technologies to sustain and grow their business.
(c)	Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details as specified below:	
i)	details of the source of funds in connection with the proposed transaction;	Earnings of the Company / Subsidiaries
ii)	<p>where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure</li> </ul>	Not applicable.
iii)	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	<p>(i) Applicable Terms, including covenants – As mentioned in (a) of (v) above</p> <p>(ii) Tenure – 3 years</p> <p>(iii) Interest Rate: (subject to changes considering the prevailing market rate) For loan from Subsidiaries – 3.93% p.a. and 4.41% p.a</p> <p>(iv) Repayment Schedule – At the end of the tenure period or such other period as may be mutually agreed by the parties</p> <p>(v) Secured or Unsecured – Unsecured (backed by Parental Guarantee)</p>
iv)	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	The funds shall be utilized by the ultimate beneficiary for its business activities.
(d)	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Nil
(e)	Any other information relevant or important for the members to take a decision on the proposed transaction.	Nil



Pursuant to Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, the nature of transactions with the related parties is provided in the said resolution. The Audit Committee has approved the above said transactions and recommended to the Board. The Board has approved the same and recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

The members are further informed that none of the related parties irrespective of whether the entity is a party to the above said transaction shall be entitled to vote on this Ordinary Resolution.

**Concern or interest, financial or otherwise of Directors, Key Managerial Personnel and their relatives:**

Except Mr. Ralph Franz Gillessen, Chairman and Non-Executive Director, who is on the Board of Expleo Technology Germany GmbH and Mr. Rajesh Krishnamurthy, Non-Executive Director, who is associated as Chief Executive Officer with Expleo Group SAS, France and its group companies, no other Directors and / or Key Managerial Personnel of the Company and / or their relatives is concerned or interested, financial or otherwise in the Ordinary Resolution set out at Item No. 4 of the Notice. The Board recommends the Ordinary Resolution set out at item no. 4 of the accompanying Notice for the approval of the Members.

**Item no.5 - Change of Object Clause of the Memorandum of Association of the Company.**

In order to make the main object clause and other object clause of the Memorandum of Association ("MOA") comprehensive and to include activities to be undertaken by the Company from time to time, consequent to integration of entities, it is proposed to modify these object clauses of the MOA. Also, there is no change in the nature of business, the Company is engaged in.

The Board at its meeting held on May 25, 2023 has approved alteration of the MOA of the Company and the Board now seek Members' approval for the same.

The proposed change of main object clause and other object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

A copy of the proposed MOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of Annual General Meeting. The aforesaid documents are also available for inspection at the time of Annual General Meeting.

**Concern or interest, financial or otherwise of Directors, Key Managerial Personnel and their relatives:**

None of the Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, shall be considered to be concerned or interested in the proposed Special Resolution. The Board recommends the Special Resolution set forth in Item No. 5 of the Notice for approval of the Members.

**By order of the Board of Directors  
For Expleo Solutions Limited**

Place : Chennai  
Date : May 25, 2023

**S. Sampath Kumar**  
Company Secretary & Compliance Officer  
FCS No.3838