



SEC/SE/053/24-25

Chennai, August 6, 2024

**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 2023-24 along with Notice of 26<sup>th</sup> Annual General Meeting.**

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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 2023-24 along with Notice of 26<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

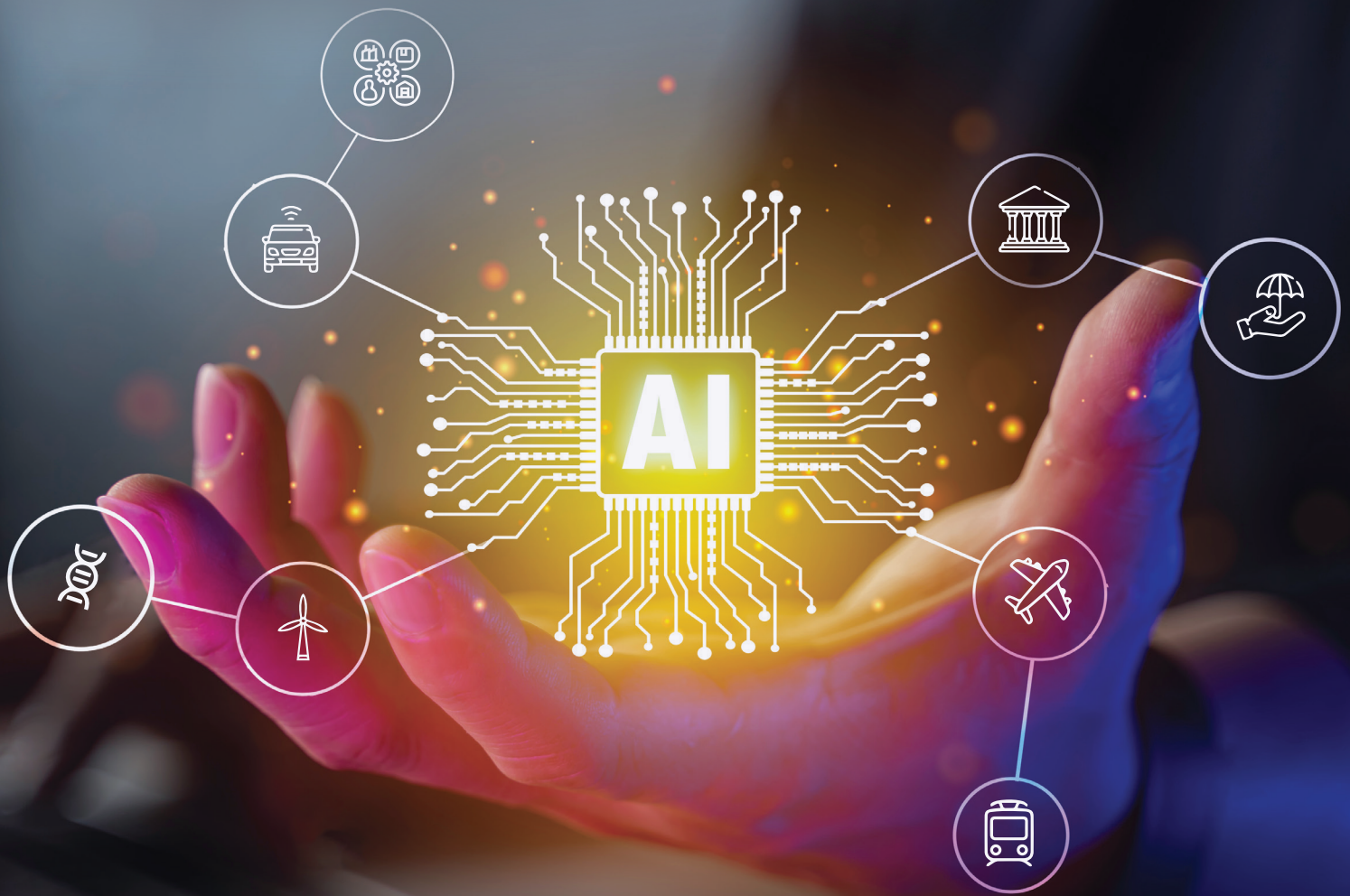
S. Sampath Kumar  
Company Secretary and Compliance Officer  
Membership No. FCS 3838

Encl : As above.

FY  
2023 - 24

EXPLEO SOLUTIONS LIMITED

# Annual Report



Think bold, act reliable

( expleo )

# Corporate information

## **BOARD OF DIRECTORS**

Ralph Franz Gillessen  
Chairman and Non-Executive Director

Balaji Viswanathan  
Managing Director & CEO

Rajesh Krishnamurthy  
Director (Non-Executive)

Lilian Jessie Paul  
Independent Director

Narayanan Subramaniam  
Independent Director

Dr. Srivardhini Keshavamurthy Jha  
Independent Director

Dr. Varadharajan Sridhar  
Independent Director

Shalini Kalsi Kamath  
Additional Director  
(Non-Executive, Independent)

**CHIEF FINANCIAL OFFICER** Periakaruppan Palaniappan

**COMPANY SECRETARY** S. Sampath Kumar

## **AUDITORS**

Kalyaniwalla & Mistry LLP  
Chartered Accountants  
3rd Floor, Dwaraka Building, Old no 36, New no 79, Uthamar Gandhi Salai,  
Nungambakkam High Road, Chennai - 600034

## **INTERNAL AUDITORS**

Sundaram & Srinivasan  
Chartered Accountants  
23, CP Ramaswamy Iyer Rd, Sriram Colony,  
Abhiramapuram, Chennai, Tamil Nadu 600018

## **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  
'Subramaniam Building', No.1, Club House Road, Chennai-600 002  
Tel. +91 044 2846 0390 / 044 4002 0700, email: investor@cameoindia.com  
website: <http://www.cameoindia.com>

## **REGISTERED OFFICE**

6A, Sixth Floor, Prince Infocity II, No.283/3 & 283/4  
Rajiv Gandhi Salai (OMR), Kandanchavadi,  
Chennai-600 096, Tel. 044 4392 3200  
email: investor.expleosol@expleogroup.com  
website: [www.investors.expleo.com](http://www.investors.expleo.com)

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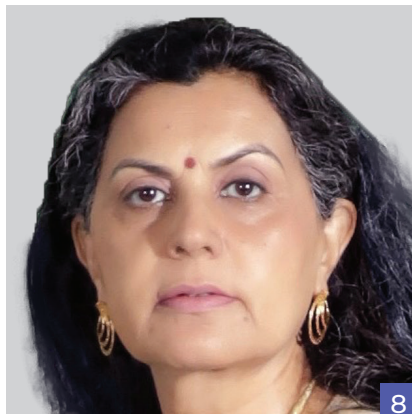
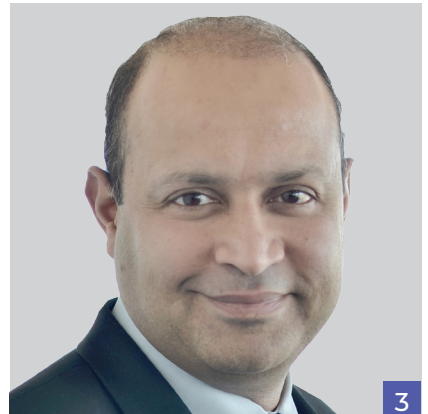
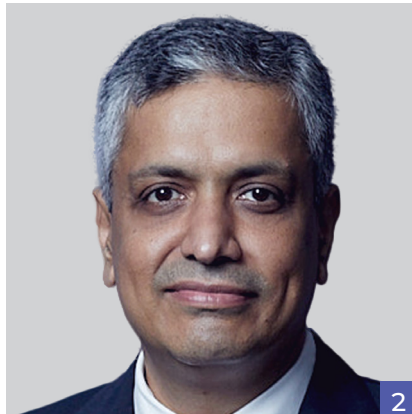
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## Board of Directors



## 1. RALPH FRANZ GILLESSEN

### Chairman & Director (Non-Executive)

Ralph Gillessen is the Chairman & Non-Executive Director of Expleo Solutions Limited.

Ralph Gillessen is Group Chief Operating Officer of Expleo Group with responsibility for leading the company's business operations and executing business strategy, protecting the company's people and infrastructure and ensuring operational excellence, which includes the ongoing digital transformation of Expleo.

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. BALAJI VISWANATHAN

### Managing Director & CEO

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

In a career spanning 30 years, Balaji has been with the Consumer Sales and Research for 3 years, Banking and Payment Card Industry for over 16 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 the South Asia market. 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.

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.

Recent accolades:

- Certified in Automation using open source, Data Science and Big Data, Artificial Intelligence and Blockchain.
- Recognized twice (2021 & 2022) as Asia's Most Promising Business Leader by Economic Times.
- Inducted into the Economic Times India Leadership Council.
- Member of the WILL (women in leadership forum) Executive Advisory Board – 2023-2025 – assuming the responsibility of supporting the forum's agendas to advance women to leadership ranks.

- An active member and advisor of the NASSCOM Regional Council, Confederation of Indian Industry (CII) and IMA India

## 3. RAJESH KRISHNAMURTHY

### Director (Non-Executive)

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.

## 4. LILIAN JESSIE PAUL

### Independent Director

Jessie Paul has 29 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. NARAYANAN SUBRAMANIAM**

### **Independent Director**

Mr. Narayanan Subramaniam is a postgraduate from IIM Ahmedabad and fellow member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and Grad. CMA from the Institute of Cost Accountants of India. He is one of the pioneers of private equity in India since 1997. He is a Finance Leader and has an impressive history of 30 plus years of being a business builder across technology, start-up companies. He has extensive experience in private equity, investment management, banking accounting & finance. He possesses expertise in asset management, risk management, system implementation, corporate governance and strategy. Mr. Subramaniam is currently retired and serves as independent non-executive Director on listed companies across fast moving consumer goods, Banking, Technology, Asset reconstruction besides mentoring young entrepreneurs.

## **6. DR. SRIVARDHINI KESHAVAMURTHY JHA**

### **Independent Director**

Dr. Srivardhini Keshavamurthy Jha is Professor of Entrepreneurship at the Indian Institute of Management Bangalore (IIMB) and Chairperson of NSRCEL, IIMB's startup incubator, which is one the country's oldest and largest incubators. Her research interest is in Innovation and Entrepreneurship in the emerging country context. She has published papers in several prestigious journals such as Management Information System (MIS) Quarterly, Massachusetts Institute of Technology (MIT) Sloan Management Review and Annals of the New York Academy of Sciences. She has co-edited a book titled "Shifting Orbits: Decoding the Trajectory of the Indian Startup Ecosystem", which was published in 2021. She works closely with many startups, mentoring and advising them. She has also contributed to policy formulation around innovation and entrepreneurship at the international, national and state government levels.

Dr. Srivardhini holds a Ph.D. in Corporate Strategy and Policy from IIMB, a Master's in Management Science and Engineering from Stanford University and a Bachelor's in Information Science and Engineering from VTU. Prior to entering academia, she held senior managerial positions at Microsoft, Sun Microsystems, and Infosys.

## **7. DR. VARADHARAJAN SRIDHAR**

### **Independent Director**

Dr. Varadharajan Sridhar is Professor at the Centre for IT and Public Policy at the International Institute of Information Technology Bangalore (IIIT-B), India. He is the author of three books: The Telecom Revolution in India: Technology, Regulation and Policy (Oxford University Press: 2012), The Dynamics of Spectrum Management: Legacy, Technology, and Economics (Oxford University Press: 2014) and Emerging Information and Communication Technology (ICT) Policies and Regulations: Roadmap to Digital Economies (Springer: 2019); and edited book titled Data Centric Living: Algorithms, Digitization and Regulation (Routledge: 2021). He has published many articles in peer-reviewed leading telecom and information systems journals. Dr. Sridhar has taught at many Institutions in the USA, Finland, New Zealand and India. He has been a member of Government of India committees on Telecom and Information Technology (IT) and also has industry experience in the communication industry. He has written more than 350 articles in prominent business newspapers and magazines relating to telecom regulation and policy in India. He has received funding from different sources, both national and international for his research projects. Dr. Sridhar has a Ph.D. from the University of Iowa, U.S.A.

## **8. SHALINI KALSI KAMATH**

### **Additional Director (Non-Executive, Independent)**

Ms. Shalini Kamath, is an Independent Director on the Boards of Abbott, Borosil Renewables, Johnson Controls-Hitachi, Maple Highways (a Canadian Pension Fund CDPQ company), Expleo Solutions and Ambit Finvest.

Shalini, an MBA from Edinburgh Business School and a Harvard-trained Change and Transformation strategist, brings nearly three decades of diverse experience across India and Africa. Her HR career includes leadership roles at Chevron Texaco India, Star India, KPMG India, and Ambit Holdings, where she provided strategic business-linked people solutions and managed Corporate Communications.

Previously, she was the Deputy Marketing Director at Raytheon India. She began her career in Zambia and Botswana, working on educational and social development projects.

Currently, Ms. Kamath assists organizations transform.

# Chairman's letter to shareholders



**Mr Ralph Gillessen**

Chairman

**Dear Shareholders,**

With great pleasure, I present my reflections on our achievements, milestones, and future endeavours.

**Celebrating growth and expansion: achieving €100Mn revenue with new clients and offering diverse services.**

I am thrilled to announce that we have achieved a remarkable milestone of **€100 million** in revenue this fiscal year. This achievement is a testament to our relentless pursuit of excellence and dedication to serving our clients. Our success is underscored by securing 23 new logos, with digital services contributing 45% to our revenue stream. We also saw that our other markets closer to home, particularly in the Middle East, and Southeast Asia, show greater interest and demand in Digital and automation-related services. A similar interest is seen in some of our European core markets across QA-QE and digital services. Our strategic efforts to diversify across sectors-including banking, financial services, insurance, enterprise, auto, aero, retail, education, energy & utility, and transport have borne fruit, paving the way for sustained growth and expansion.

**Honouring our past and embracing our future: recognising our independent directors' contributions and welcoming new vision.**

As we move forward, it is essential to recognise the invaluable contributions of our retiring independent directors while warmly welcoming our new independent directors to our esteemed board. Their expertise and guidance will enrich our corporate governance and strategic decision-making processes.

**Building tomorrow, today: sustainability and innovation in our new Bangalore office.**

Embracing sustainability and innovation, we have inaugurated a state-of-the-art office premise in Bangalore, equipped with over 400 seaters and a dedicated testing lab for our auto and aero business. This move underscores our commitment to fostering a conducive work environment while championing sustainability practices. There are more such expansion plans in the coming year as well.



**Embracing opportunities across oceans: US growth journey through data management and AI.**

Our strategic focus on data management has paved the way for a meaningful presence in the US market with more than a 10% contribution this fiscal year. This focus on Data Governance and AI is opening new avenues for expansion and market penetration. We remain steadfast in our commitment to delivering unparalleled value to our clients globally.

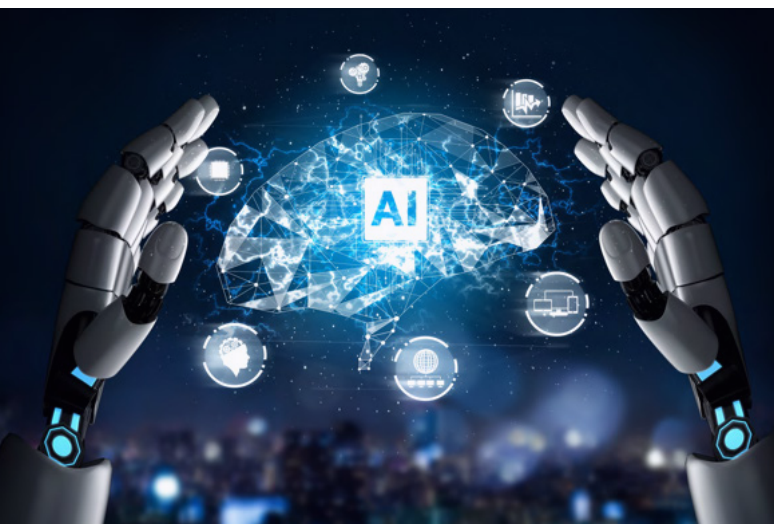
**Nurturing our greatest asset: celebrating talent attraction and retention success.**

I am pleased to report a significant improvement in talent attraction and retention, with attrition rates falling below 16%. Our people are our greatest asset, and we remain dedicated to fostering a culture of growth, inclusivity, and professional development.

**Igniting creativity, fuelling innovation: cultivating a culture of innovation and collaboration.**

Innovation lies at the heart of everything we do, and our recent Innovation Jam, series nine (9), demonstrates our commitment to fostering a culture of innovation. The competition was fierce, with esteemed clients and senior executives grappling to select the most promising ideas from over 770 entries across AI, ML and LLM. We are excited about the possibilities that lie ahead as we continue to champion significant innovation across our organisation to deliver value and competitiveness for our clients.

**Driving transformation: recognising excellence in digital adoption and transformation.**



We take immense pride in hosting the awards ceremony in India and Southeast Asia in strategic partnership with leaders and eminent jury members. The initiative recognises institutions that have delivered superior digital products and driven digital transformation to

improve financial inclusion, operational efficiency, and, most importantly, value to clients and every stakeholder.

**Empowering excellence, ensuring security: advancing capabilities for a safer digital future.**



We continue to invest in enhancing our capabilities across key areas such as data governance, DevSecOps, and cybersecurity. I am delighted to announce that Expleo is now empanelled by CERT-In to provide information security auditing services, further fortifying our commitment to ensuring the highest level of cyber protection for our clients.

**Thriving together, creating happiness: employee engagement and Great Place to Work journey.**

Our persistent focus on employee engagement has yielded remarkable results, as evidenced by our certification as a Great Place to Work yet again. Over the past four years, we've propelled from a 70-80% approval rating in three years. It is gratifying to see that an impressive 85% of our employees are proud to be a part of the Expleo family, with 77% believing in our commitment to act on the survey results. I sincerely thank our employees for their unwavering dedication and commitment. We have won the Progressive Place to Work recognition by the Economic Times Edge - a Times Group initiative.

**Spreading smiles, empowering dreams: CSR initiatives brighten education for specially-abled, underprivileged and in rural areas with digital enablement.**

Our commitment to corporate social responsibility remains unwavering. We have made significant contributions to supporting rural schools by providing digital classrooms and content. We believe in leveraging our resources for holistic inclusion, betterment of society and empowerment of future generations through education.

**Championing diversity, fostering inclusion: commitment to women-centric initiatives and DE&I.**

We remain steadfast in our commitment to fostering diversity, equity, and inclusion within our organisation, focusing on women-specific initiatives. We believe diversity fuels innovation and fosters a culture of creativity and collaboration.



**Charting our course, embracing change: focused on diversification, talent, and innovation for success.**

As we look to the future, we focus on industry and market diversification, talent management, process efficiency, governance, and technology adoption. By embracing innovation and leveraging our collective strengths, we are poised to overcome challenges inflicted by macroeconomic uncertainty and emerge as industry leaders.

In conclusion, I sincerely thank our shareholders, clients, Expleons, and partners for their unwavering support and commitment. Together, we will continue to push boundaries, innovate, and create value for all stakeholders.

Yours Sincerely,

[Ralph Gillessen](#)

Chairman

# Performance highlights

## Decade at a Glance (Consolidated Basis)

Rs. in Millions

Particulars	2023-24	2022-23 *	2021-22 @	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16 #	2014-15
Gross Revenue	9,649	9,033	7,425	3,009	2,702	2,828	2,712	2,599	2,642	2,142
EBITDA #	1,558	2,162	1,301	753	610	591	538	424	605	389
Profit Before Tax #	1,196	1,861	1,101	684	541	536	479	370	562	320
Profit After Tax #	904	1,339	677	504	399	362	319	232	369	216
Fixed Assets: Gross Block #	2,034	1,980	1,439	474	432	324	307	300	526	483
Fixed Assets: Net Block #	1,314	1,420	1,083	248	260	189	224	267	248	243
Share Capital	155	155	155	103	103	107	107	107	106	105
Reserves and surplus #	5,956	5,147	3,791	1,916	1,420	1,281	1,179	1,164	982	911
Networth #	6,112	5,302	3,946	2,019	1,522	1,388	1,286	1,271	1,088	1,016
Sundry Debtors #	2,494	2,394	1,737	608	759	457	681	424	544	567
Cash and Bank Balances #	1,841	1,557.00	1,796	1,311	872	987	850	891	857	683
Current Assets #	5,977	5,528	4,485	2,259	1,774	1,625	1,633	1,380	1,534	1,380
Current Liabilities #	1,036	1,677	1,746	549	534	522	626	435	728	560
Working Capital #	4,941	3,851	2,739	1,710	1,240	1,103	1,007	945	806	820
Employee Strength (No.s)	4,291	3,992	3,958	1,117	1,062	962	1,012	919	1,076	907
No of Equity Shares ('000)	15,520	15,520	15,520	10,252	10,252	10,713	10,710	10,680	10,639	10,545
Earnings Per Share (Diluted) (Rs.) #	58.27	86.3	43.6	49.2	38.5	33.8	29.9	22.3	34.6	20.6
Book Value per Share (Rs.)	393.79	341.6	254.2	196.9	148.5	129.6	120.1	119.0	102.3	96.4
Dividend - Rs. per share (Interim and Final)	-	5.0	-	-	-	-	24.0	24.0	24.0	24.0

\*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 2014-15 to FY 2020-21, the numbers are as per audited financials of Expleo Solutions Limited (before merger).

EBITDA : Earnings before finance cost, 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, 2024.

## 1. Financial Highlights for the Year Ended March 31, 2024:

	(Rs. in Millions)		(Rs. in Millions)	
	Consolidated		Standalone	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Total Income	9723.83	9,194.04	9683.66	9,119.84
Cost of material consumed and other direct costs	49.84	73.19	49.84	73.19
Employee benefits expense	5748.37	4,798.88	5295.67	4,483.75
Depreciation and amortization expenses	336.66	278.84	330.33	272.71
General, administrative, and other expenses	2367.13	2,159.51	2903.18	2,532.25
Finance cost	26.09	22.56	25.96	22.56
Total expenses	8528.09	7,332.98	8604.98	7,384.46
Profit/(loss) before exceptional items	1195.74	1,861.06	1078.68	1,735.38
Exceptional items				
Profit before tax	1195.74	1,861.06	1078.68	1,735.38
Tax expense	291.35	522.18	267.68	502.78
Profit after tax	904.39	1,338.88	811	1,232.60
Other comprehensive income	(17.60)	17.66	(15.32)	15.73
Total comprehensive income	886.79	1,356.54	795.68	1,248.33
Earnings per equity share (Per value of Rs. 10/- each)				
Basic (Rs.)	58.27	86.27	52.26	79.42
Diluted (Rs.)	58.27	86.27	52.26	79.42

## 2. Business and Operations Review:

Total operating revenue was Rs. 9,648.70 Mn for the financial year 2023-24, which increased by 6.82% over the previous year's Rs. 9,032.95 Mn. Total comprehensive income stood at Rs. 795.68 Mn (8 % of total income) against the previous year's Rs. 1,248.33Mn (14% 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 34% from 42% in the previous year. The Europe business contributed to 54 % of

the Company's revenue from operations (vs. 46% in the previous year), while the US contribution stands at 12% same as last year. The proportion of on-site to offshore revenue from operations stood at 23% to 77% compared with 20% to 80% in the previous year.

During the year under review, new client acquisition contributed 6% to the revenue from operations. The repeat business from existing clients is 94% of the revenue from operations compared to 93% in the previous year.

For the financial year 2023-24, the revenue from Group clients was 34%, as compared to 30% in the previous financial year. On the practice front, the Company saw

24% growth in Banking, followed by Insurance that grew by 3% and Card and Payment by (32%).

As of March 31, 2024, the standalone entity's employee strength was 4,208 (consolidated entity 4,291) compared to 3,931 (consolidated entity 3,992) in the previous year. Women employee strength grew to 1,381 (32.18%) for the consolidated entity from 1,316 (32.97%) in the previous year and attrition stands at 21.85% from the previous year's 18.20%.

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

As informed in the Annual Report for the financial year 2022-23, the Members are aware about the 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, which was approved by 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, the effective date and appointed date being April 1, 2023 and April 1, 2022 respectively.

We wish to inform that during the financial year 2023-24, your Company has completed the process of the aforesaid merger and pursuant to the said Scheme of Amalgamation, the Company allotted 5,267,254 number of equity shares to Expleo Technology Germany GmbH, Germany, the Promoter of the Company.

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

During the financial year 2023-24, the Company added Rs. 238.70 Mn to its gross block with capital expenditure, which comprises Rs. 66.93 Mn on building & lease, Rs. 73.00 Mn on technology infrastructure, Rs. 13.04 Mn on physical infrastructure and the balance Rs. 85.72 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. 1,295.84 Mn at the end of the year against Rs. 1,298.26 Mn in the previous year. The Company's cash balance decreased to Rs. 1,325.30 Mn from previous year's Rs. 1,327.90 Mn.

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

At the end of the current financial year, the Company's Paid-up Equity Share Capital stood at Rs. 155.20 Mn, consisting of 1,55,19,739 fully paid-up equity shares of Rs. 10/- each.

During the period under review, pursuant to Scheme of Amalgamation the Company allotted 52,67,254 number of equity shares to Expleo Technology Germany GmbH, the Promoter of the Company. As a result, the Company's Paid-up Equity Share Capital increased from 1,02,52,485 fully paid-up equity shares of Rs. 10/- each to 1,55,19,739 fully paid-up equity shares of Rs. 10/- each.

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

As of March 31, 2024, the Company's net worth stood at Rs. 5,449.91 Mn against Rs. 4,731.83 Mn at the end of the previous financial year.

### **8. Dividend:**

The Company has not declared or recommended any dividend during the financial year 2023-24. 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, 2024.

### **10. Subsidiaries and Branches:**

The Company operates internationally through five 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
- e) Expleo Solutions LLC, Dubai

During the period under review, your Company has incorporated a new Company in the name of Expleo Solutions LLC, a wholly owned subsidiary, in Dubai, UAE to provide Information Technology Enabled Services with the objective to address the requirements of clients.

The Company's Board of Directors reviewed the affairs of the wholly owned subsidiaries for the financial year 2023-24. 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 the Philippines, Belgium, Israel and Malaysia globally and Pune, Bengaluru and a Sales office cum Delivery Centre in Mumbai and a new Training centre in Coimbatore.

**11. Annual Return:**

The Annual Return in Form MGT-7 for the financial year ended March 31, 2024, 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> under AGM and Annual Report section.

**12. Number of Meetings of the Board:**

The Board met seven times during the financial year ended March 31, 2024. The said meetings were held on April 11, 2023, May 25, 2023, August 10, 2023, November 9, 2023, February 7, 2024, March 22, 2024 and March 30, 2024.

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 part of the Boards' 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 they 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/Policy-on-Remuneration-of-Directors-KMPs-and-Senior-Employees.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, 2024	March 31, 2023
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

**Rs. in Millions**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
3,000 equity shares (Previous year - 3,000 equity shares) of USD 0.01/- each in Expleo Solutions Inc., the USA	4.62	4.62
350,000 equity shares (Previous year - 350,000 equity shares) of GBP 1/- each in Expleo Solutions UK Ltd., the UK	24.17	24.17
600 equity shares (Previous year - 600 equity shares) of AED 1,000/- each in Expleo Solutions FZE., the UAE	8.70	8.70
150 equity shares (Previous Year: Nil) of AED 1,000/- each in Expleo Solutions LLC, Dubai	3.37	-

**18. Particulars of Contracts or Arrangements with Related Parties:**

During 2023-24, all the contracts and arrangements entered by the Company with related parties were on arm's-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 10, 2023. 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 2023-24, an amount of Rs. 3,79,320/-, which was lying in the Final Dividend account pertaining to the year 2015-16, and an amount of Rs.1,07,368/- lying in the Interim Dividend account pertaining to the year 2016-17 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 2023-24, the Company had transferred 303 shares pertaining to Unpaid Final Dividend – 2015-16 and 801 shares pertaining to Unpaid Interim Dividend – 2016-17 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) The Company has always supported and implemented environment friendly and sustainable green solutions in our daily operations at Pan India locations. We have taken steps to save energy by using energy generated from alternative sources such as grid powered wind turbines, USFF based computers, installing motion sensor LED lighting, VRF based air conditioning, retrofitting VFD panels for chillers, AMC, preventive maintenance, monitoring operations of AC, lights, appliances during peak / non peak hours, installation of latest equipment, AC chiller units and optimisation of space to increase efficiency and reduce running costs etc. We have also taken steps to save on water by use of treated water for washrooms, landscaping, motion sensor taps, waterless urinals etc. We create awareness and educate employees about energy conservation practices and encourage them to participate actively in saving energy. This has significantly helped us reduce our energy and water consumption.
- (ii) We continue to work on measuring, monitoring and reducing the carbon footprint generated by our equipment and vehicles. We plan to shift / convert to electric vehicles once proper infrastructure / ecosystem is in place. The focus would be to reduce carbon footprint.
- (iii) Capital investment on energy conservation equipment: 0.93% of total asset addition during the year 2023-24.

### (B) Research & Development and Technology Absorption:

- (i) **Easy Connections:** Easy Connections is a connector platform to pull the metadata about data & analytics assets from organisations data estate and bring to data governance platforms like Collibra. Our connectors offer more extensive metadata and details to copy which enhances the value of the data governance platforms. These connectors are offered as service along with implementation for data governance platform Collibra.
- (ii) **Dev Cycle Assisted by Code Generation Co-pilot:** Dev Cycle Assisted by Code Generation Co-pilots refers to the integration of AI-driven code generation tools into the software development lifecycle. These

tools, often called “co-pilots,” leverage machine learning models to assist developers by suggesting code snippets, completing lines of code, identifying potential bugs, and even optimising existing code. We have built a practice to use GitHub Co-pilots in the dev cycle which has shown an increase in the quality of the code and reduced the time required to finish development.

- (iii) **Exploratory Data Analysis Platform:** Exploratory Data Analysis (EDA) is mandatory step for all the data analytics initiatives used to understand the data better before using it to solve any business problem. This requires mathematical and statistical modelling of data to find patterns, insights and dependencies. This is a low code/no code platform to help simplify EDA with the help of predefined analysis scripts, visualisations, and calculations.
- (iv) **Generative BI with Generative AI:** AI can automatically generate insights and analyses from large datasets. This can include generating the visualisations from the datasets provided to AI or predictive analytics, where the AI models predict future trends and outcomes based on historical data. Generative BI is based on the Enterprise ChatGPT edition of OpenAI services which can take NLP instructions to analyse the structured datasets provided to it.
- (v) **Fullstack Self-Hosted LLM based Chat App:** This is a fullstack chat application based on Large Language Generative models capable to search, summarise and analyse enterprise data, documents, and information. This works on the self-hosted LLM model and gives full control of the model, its tuning, configurations, customer data and the data used to build foundational model.
- (vi) **AI Intervention Model:** AI Intervention model maps the customer use cases on the quadrant created by frequency of tasks against cognitive load requirements to execute that task. Our AI Intervention model's quadrant maps use cases to business as usual, automative, creative tools and perfect AI use case categories.
- (vii) **AI Maturity Assessment Model:** Expleo's AI Maturity Assessment model is built to help organisations identify the status of their AI compatibility and need of steps to build stronger AI foundations or processes to get maximum from their AI investments. Our AI model has five AI maturity levels i.e. AI Awareness, AI Experimentation, AI Operationalisation, AI Integration, AI Innovation and Leadership.



(viii) **AI Genie - Data Governance Co-pilot Assisted by Generative AI:** AI Genie is the solution built as a generative AI web app capable to integrate with any Data Governance tool. This tool can automate tasks that require content generation, conversion, executing tasks, etc.

(ix) **AI Governance Model:** AI governance refers to the framework and processes used to ensure responsible, ethical, and effective management of artificial intelligence technologies. This starts with cataloging the AI use cases and populating all the metadata about use cases for better understanding of the models developed. We have built an AI Governance model which helps find, trust and understand AI investments done by the organisation in order to democratise the AI in the organisation.

(x) 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. 8,793.96 Mn (previous year Rs. 6,280.31 Mn) whereas foreign exchange outgo during the year in terms of actual outflows was Rs. 3,052.45 Mn (previous year Rs. 1,501.57 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 minimisation.

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

• **Risk Management framework which comprises:**

- a) Identifying and assessing a broad array of internal and external risks that could adversely impact the achievement of organisational 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 programme structure that engages functional leaders across to identify and prioritise 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 organisation'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 effective/ineffective; could be technology changes, new competitor, change 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 organisation.
- **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 and BCP
- **Reputational:** Risk refers to the potential damage to an organisation's reputation, brand, or image, resulting from actions, events, or decisions that could negatively impact stakeholders' perceptions of the organisation.

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 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 programme, while conferring responsibility and authority on senior management to develop and maintain the risk management programme in light of 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 programme. 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 different 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 with 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 authorised, recorded, and reported correctly, and assets are safeguarded and protected against loss from unauthorised 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, organisational 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 exemplifies a profound commitment to tackling the pressing social issues of our times. This vision is not just a statement of intent but a reflection of the Company's core principles and values, which are deeply embedded in its culture and operational ethos. The Company sets ambitious targets that are not only meaningful but also designed to create substantial value for all stakeholders involved.

At the heart of Expleo's CSR initiatives is the promotion of education for those who are differently abled and underprivileged. This noble endeavour ensures that the benefits of education reach the farthest corners of society, uplifting those who are often left behind. Furthermore, the company's dedication to protecting the environment is a testament to its recognition of the planet's fragility and the urgent need to preserve it for future generations. Women empowerment is another cornerstone of Expleo's CSR efforts, reflecting the Company's commitment to fostering an inclusive society where women have equal opportunities to thrive and succeed.

This sustained effort by Expleo is a shining example of how a company can effectively integrate its business objectives with societal needs. By doing so, Expleo not only enhances its corporate image but also sets a benchmark for others in the industry. The Company's actions speak louder than words, showcasing a clear trajectory towards a more equitable and sustainable future. It is through such dedicated CSR initiatives that companies like Expleo can leave a lasting impact on society, paving the way for a legacy that transcends the bottom line.

### **Key Highlights of the CSR Activities Undertaken by Expleo:**

#### **Education**

##### **a) Vidya Sagar – Education for Differently-abled children**

- i. Expleo has contributed towards supporting special education in Vidhya Sagar, a high school which works with school going children with disabilities 15 years and above. They conduct classes as per the guidelines in their Standard Operating Procedure and ensured to adhere to the government guidelines for schools in general. The Company has contributed towards the salaries of therapist and special education trainer of the high school students of Vidya Sagar. The therapist was responsible for physiotherapy, speech, alternative and augmentative communication training, occupation therapy, procurement and optimal utilisation of furniture, mobility and orthotic aids. Additionally, the students were also imparted with functional and life skills enabling them to explore vocations.
- ii. Expleo has supported Vidya Sagar's Care givers training programme. This programme aims to create a cadre of motivated and energetic support workers/ caregivers / personal attendants as they are absolutely essential and

an integral part of creating support systems in the community. The Care Giver training is in partnership with the Tamil Nadu Apex Skill development Centre for Healthcare (TNASDCH). TNASDCH will be conducting the examination and giving the certificate. A Government of India certified course, certainly is coveted. The course also offer residential arrangements with boarding and lodging to at least five trainees.

- iii. Expleo has sponsored a school van to Vidya Sagar. The school van will cater to the transportation needs of students and facilitate a safe and comfortable commute from their residence to school with a door-to-door pickup and drop facility. Approximately four (4) wheelchair users and four (4) students can fit in the van for transportation. The school van has been enhanced with a few special features. The door has been fabricated as per Road Transport Office (RTO) norms, and a hydraulic lift has been fitted to accommodate wheelchair users.



##### **b) Rotary Club – Smart Boards for Government Schools**

- i. Expleo in collaboration with Rotary Club of Taramani (NGO), has sponsored and installed 20 state-of-the-art Smart Boards in three government schools in Chennai
  - Dharmamurthi Rao Bahadur Calavala Cunnan Chetty's Hindu Higher Secondary School (Perambur),
  - Lady Willington High School (Triplicane),
  - Sri Ayyaswamy Aiyar School (Chrompet).
- ii. The integration of Smart Boards into educational settings marks a significant advancement in the way students engage with content and participate in the learning process. These interactive boards serve as a dynamic tool, allowing for a more hands-on approach to education. They can display a wide range of multimedia resources, facilitate real-time

collaboration, and offer immediate access to a wealth of online information.

- iii. By incorporating Smart Boards, educators are able to cater to various learning styles, ensuring that each student can benefit from lessons that are visually rich and kinesthetically engaging. The initiative to equip government schools with this technology is a commendable step towards reducing the digital divide and enhancing the educational experience for a large number of students, fostering an environment where technology and learning go hand in hand.
- iv. With this smart initiative, we are delighted to inform that we have ignited the digital journey of 1000+ government school students.



#### c) Diya Ghar - Education for the Children of Migrant Labourers

- i. Expleo has partnered with Diya Ghar, 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.
- ii. Expleo has supported Diya Ghar's "community-based model" programme wherein new portable and prefabricated community centers are established to provide education to the said children of migrant laborers.
- iii. The project included identification and training community teachers, conducting classes using Montessori Method and preparing students and their families to enroll their children in Primary Schools.

#### d) Swadha Foundation

- i. Expleo has partnered with Swadha Foundation, a 12-year-old NGO based out of Bengaluru enabling rural students of class eleven to continue education up to degree level and teach them the necessary skills which makes them employable.

- ii. Expleo has joined them to sponsor 40 students around Tumkuru in Karnataka, the project aims to:

- Educate and empower rural girls and boys who have finished class ten and want to break free of generational backwardness by educating themselves further. Many of these students would be first generation graduates coming from poor rural families. They would be typically coming from villages or tier 2 / tier 3 towns.
- By sowing the seeds of empowerment through education, Expleo would have invested in 40 success stories. Creating a pilot for empowering women early that could be replicated across states and across countries.

#### e) Agastya International Foundation – Education for the underprivileged

Over the years, Expleo has been supporting Agastya International Foundation (Science Centre & Mobile Science Lab) in three schools in Chennai and one school in Bengaluru. This year, Expleo has started supporting one school in Mumbai too.

##### i. Science (Lab on bike):

- The programme's objective is to help to catalyse local schools and educators and improve the quality of education for rural/municipal children and teachers.
- 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.
- All the beneficiaries under this project were economically disadvantaged and were students and teachers at government schools.

##### ii. Integrated Mobile Science Lab:

- Expleo has sponsored the "Integrated Mobile Science Lab" project, which provides 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 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.



**f) A New ICT Lab Project for MKSSS's Mahilashram High School & Jr. College:**

- i. Expleo India recently partnered with Maharshi Karve Stree Shikshan Samstha (MKSSS) to set up an Information and Communication Technology (ICT) training lab for Mahilashram High School and Junior College, Pune. Since its inception, the school has grown into a nurturing space for students from rural backgrounds, offering quality education, well-equipped facilities, and a strong emphasis on confidence-building.
- ii. The inauguration ceremony saw Mr. Prasad Satkar accompanied by Mrs. Vidya Kulkarni, Vice-Chairman, MKSSS, Mr. Pradeep Waje -Assistant Secretary MKSSS, Principal, High School unveiling the new ICT facility. Engaging with the students, Mr. Prasad Satkar encouraged them to pursue IT as a career.
- iii. Designed to nurture digital literacy and advanced ICT skills, the lab will offer hands-on training to 3,643 students.
- iv. Details of the project:
  - About 40 computers were set up to equip students in programming languages such as C, C++, scripting.
  - Basic and advanced training in MS Office and drawing tools.
  - Students would gain pragmatic knowledge in the areas of IT and communication.
- v. Expleo India takes pride in helping students get future-ready by creating channels for them to develop skills and access new ways of learning.

- vi. Our collaboration with MKSSS has already seen us supporting two successful initiatives last year, and we look forward to more opportunities to make a positive impact together.



**g) Building a Safe and Inclusive Learning Environment - School Building Fabrication Work Project for Jagrut Apang Sanghatana:**

- i. We are happy to share that Expleo teamed up with Jagrut Apang Sanghatana and executed twin projects to improve the residential school facilities for special needs students at Mahatma Phule ApangPrashikshan Kendra (MPAPK), Maan Village, Pune. Spread over an acre with 8,000 sq. ft of built-up space, MPAPK offers vocational courses for underprivileged youth with special abilities.
- ii. Details of the Project:
  - The Fabrication project:
    - a) Period : (June 2023 – August 2023)
    - b) To ensure the safety of students and staff from reptiles and trespassers.
    - c) Grills fixed at the entry-exit points, office area, and along the corridors of the school.

- The Flooring Project:
  - a) Period - July 2023 – August 2023
  - b) To ensure free and safe mobility
  - c) Granite slabs installed in all ramp areas.
  - d) Extensive flooring work carried out in the hostel and school corridors, office room, tailoring and cutting room, electronics, and mobile repairing room.
- iii. Thanks to this upgrade, students can move more comfortably and safely within the premises.
- iv. Kudos to the Jagrut Apang Sanghatana's founding team, including Shree Manav Kamble -President and Founder, Shree Nandkishor Nale - Secretary, Founder; Ms. Nalini Inamdar – Member, Founder and Shree Ganesh Jagtap – Treasurer, who were present during the inauguration.
- v. We express our gratitude to Dipti Gokhale, Kalyani Pharande and Varsha Raut for their support and a special mention to Amit Raut, Neha Deshmukh and Nilesh Korde for joining the inauguration and spending quality time with the students.

Last year, we rolled out six impactful projects for MPAPK, and our commitment remains strong. Here's to building a more inclusive tomorrow.



#### H) Expleo funds Jagrut Apang Sanghatana for the 'Solar Plant' implementation project through 'Payroll Giving Scheme' initiative

- i. Expleo has supported financially through the Payroll Giving Scheme (PGS) to Jagrut Apang Sanghatana NGO for the implementation of a solar plant project in the vicinity of Mahatma Phule Apang Prashikshan Kendra in Mann, Pune.
- ii. The main objective of the project was to install a state-of-the-art solar power plant to cater the electrical load. The scope of the project includes design, engineering, supply, installation, and commissioning of solar power system on the roof of the school building.
- iii. We look forward to driving many such initiatives in association with Jagrut Apang Sanghatana in the area of green initiatives to support the 'Green Growth Strategy' defined by the Government of India.





**Environment**

**a) Contribution to Siruthuli, NGO**

- Rapid urbanisation has led to the depletion of forest cover. Coimbatore, which was once a place known for its salubrious climate and green cover, underwent a major transition with all the trees along major transit roads being axed. Over the years, the locals can feel the change in the climate and reduction in water availability.
- Expleo, in partnership with Siruthuli has planted 2,200 trees in the reserve site at Theethipalayam Panchayat at Coimbatore. The NGO has taken the responsibility of maintenance of the trees and has agreed to replace the saplings that do not survive.

**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 as on March 31, 2024 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.

Effective from April 01, 2024, the Audit Committee was reconstituted, consequent to the expiry of the second term of 5 (five) years of Prof. K. Kumar, Prof. S. Rajagopalan and Mr. Rajiv Kuchhal, the Independent Directors of the Company. The reconstituted Audit Committee of the Company consists of the following members:

- 1) Mr. Narayanan Subramaniam, Chairman
- 2) Dr. Varadharajan Sridhar, Member
- 3) Ms. Lilian Jessie Paul, Member

**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 judgement 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 its 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 such internal financial controls are adequate and these were operating effectively.
- 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 23, 2024, 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 06, 2024. 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, and 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. Familiarisation Programme:

The Company has a familiarisation 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/corporate-governance/>.

### 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> and is dealt with elsewhere in the Annual Report.

### 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 ten 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:

Pursuant to the provisions of Section 152(6) Act of Companies Act, 2023 and the Company's Articles of Association, Mr. Ralph Franz Gillessen (DIN: 05184138), 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.

During the financial year, Mr. Prashant Eknath Bramhankar, Whole-time Director & COO, has resigned from the Board of the Company with effect from November 9, 2023, due to personal reasons. The Board placed on record its sincere appreciation for the contribution made by him to the Company during his entire tenure with Expleo.

During the year under review Mr. Desikan Narayanan, Chief Financial Officer, has resigned from the Company with effect from the closing office hours of November 30, 2023 and his last date of service was December 31, 2023. The Board placed on record its sincere appreciation for the contribution made by him to the Company during his entire tenure with Expleo.

The Board appointed Mr. Periakaruppan Palaniappan as the Chief Financial Officer (Key Managerial Personnel) of the Company with effect from December 01, 2023.

Consequent to the completion of second term of 5 (five) years by Prof. K. Kumar (DIN: 02343860), Prof. S. Rajagopalan (DIN: 01584674), Mr. Rajiv Kuchhal (DIN: 02257381) and Mr. Ulrich Baumer (DIN: 06763831), the Independent Directors of the Company as on March 31, 2024, the Board decided to appoint new Independent Directors in their place. The Board placed on record its sincere appreciation of the contribution made by each one of them for the growth and development of the Company over the years.

The Board of Directors at its meeting held on February 07, 2024 recommended to the members for approval of Mr. Narayanan Subramaniam - (DIN : 00166621), Dr. Srivardhini Keshavamurthy Jha - (DIN : 06373409) and Dr. Varadharajan Sridhar - (DIN : 00082156) as Independent Directors(Non-Executive) of the Company, for a period of 5 (five) years with effect from April 01, 2024 and who shall hold office up to March 31, 2029, not 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. Narayanan Subramaniam -(DIN:00166621), Dr. Srivardhini Keshavamurthy Jha -(DIN:06373409) and Dr. Varadharajan Sridhar -(DIN:00082156) as Independent Directors (Non-Executive) of the Company was completed and the result of the Postal Ballot was announced on Thursday, March 21, 2024.

The Board of Directors at its meeting held on June 14, 2024 and based on the recommendation of Nomination and Remuneration Committee of the Company, approved the appointment of Ms. Shalini Kalsi Kamath (DIN: 06993314) as Additional Director (Non-Executive, Independent) with effect from June 14, 2024 and shall hold office upto the date of ensuing Annual General Meeting of the Company. Further, the Board approved the appointment of Ms. Shalini Kalsi Kamath (DIN: 06993314) as Independent Director (Non-Executive) of the Company with effect from June 14, 2024 and shall hold office up to June 13, 2029 (term of 5 years), not liable to retire by rotation, subject to the approval by the Members in the ensuing Annual General Meeting of the Company.

#### **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. Internal Auditor**

During the year under review the tenure of M/s. V. Chandrasekharan and Associates, Chartered Accountants the existing Internal Auditor of the Company came to end on March 31, 2024.

Your Company has appointed M/s. Sundaram & Srinivasan, Chartered Accountants (Firm Reg No.004207S) as Internal Auditor of the Company, for a period of 2 (two) years with effect from April 1, 2024 till March 31, 2026.

#### **36. Statutory Auditors:**

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, are the Statutory Auditors of the Company. They were re-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, 2024, does not contain any qualification, reservation or adverse remark, or disclaimer. Auditors reported no frauds under sub-section (12) of Section 143.

#### **37. 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.

#### **38. 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 (practising Company Secretaries, COP No.8196) as the Secretarial Auditor of the Company in the Board Meeting held on May 25, 2023, for the financial year 2023-24. 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).

### 39. Significant and Material Orders Passed by the Regulators, Courts, or Tribunals:

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.

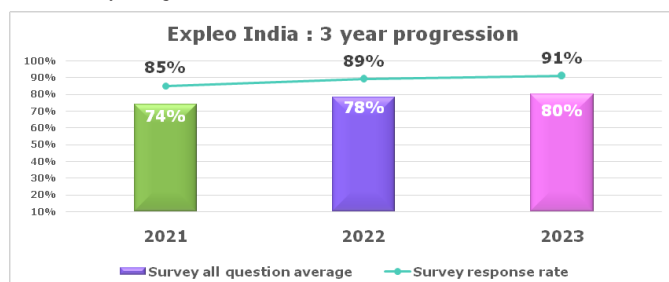
### 40. Human Potential:

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 the 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 thus helping us to explore areas of opportunity to set Expleo on the path towards creating an organisational culture where we drive excellence with empathy.



### Key Highlights of 2023 Survey Results:

- GPTW score for 2023 is 80% (+2 from 2022). Target set was 75%
- 77% of employees believe that Expleo will act on the survey results (+1% from 2022)
- 84% of employees believe that Expleo is a great place to work (+3% from 2022)
- 85% of employees are proud to tell others that they work with Expleo
- Expleo is certified as a Great Place to Work organisation for Jan 2024 – Jan 2025

### Strategic L&D:

Our core focus lies in cultivating the essential capabilities, skills, and competencies required to align with the organisation's strategic objectives and key business priorities. Through targeted learning and development initiatives, we empower our workforce to meet evolving demands and drive sustainable success.

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

- Talent attraction and retention.
- Developing people capabilities.
- Motivating and engaging employees.
- Driving culture of continuous learning.
- 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:

- Graduate Training Programme (HTD)
- Certification Reimbursement Policy
- Individual Development Plan (IDP)
- Trainer Incentive Programme (TIP)
- Self-Learning Enablement
- Expert Connect Sessions
- Role Based Learning

#### 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) First Time Manager Programme
- b) Leadership Enhancement Action Programme (LEAP).
- c) Leadership Excellence Programme (LEP) – Unleash the Talent in Others by Dale Carnegie
- d) Accelerated Leadership Programme (ALP) – IIM Indore
- e) Executive Coaching Programme

### **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) Training for On-site employees.
- d) TGIF (Thank God It's Friday).
- e) Reader's Loft.
- f) Management Development Programme.
- g) Digital Badges - Rewards for Learning & Certification Accomplishments.

### **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 – Coursera & Udemy Learning Platforms.
- b) Technology Lab for Hands-on Practice
- c) Expert Connect Session.
- d) Knowledge Sharing Sessions.
- e) Learning Assessment & Measurement Platforms – IKM

### **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 behaviors, 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 and values of the Expleo culture.

Here are our key programmes that build employer brand:

- a) Diversity and Inclusion (D&I) Initiatives
- b) Leadership Development Programme.
- c) Digital Badges for Publishing on Social Channels - Rewards for Learning Accomplishments.

### **Key Achievements:**

#### **Soft Skills:**

**Business Communication Skills:** Achieved full participation and completion with a 100% success rate, enhancing employees' ability to communicate effectively in various business contexts.

**STEP-UP:** Successfully engaged 80% of invited employees in the program, empowering them with skills to advance in their careers and contribute effectively within their roles.

**CEP – Communication Excellence Programme:** Attained an impressive completion rate of 88%, demonstrating a commitment to fostering excellence in communication across all organisational levels.

**Toast Masters:** Achieved a 66% participation rate among employees from all grades, promoting the development of public speaking and leadership skills in a supportive environment.

**IDP (Individual Development Programme):** Implemented a comprehensive programme reaching employees across different grade levels, with a remarkable 96% completion rate, indicating strong commitment to individual growth and development.

**Language Training (Speexx Platform):** Successfully facilitated language training in multiple languages, with a 71% certification rate, enhancing employees' linguistic abilities and enabling effective communication in diverse settings.

**Cross Cultural Communication Skills:** Achieved 100% participation in the programme, equipping employees with the skills to navigate and communicate effectively in multicultural environments.

**Leadership Skills:**

**FTM (First Time Manager):** Successfully onboarded and trained a cohort of first-time managers, equipping them with the necessary skills and knowledge to excel in their new roles, thus ensuring a smooth transition and effective leadership within the organisation.

**LEAP (Leadership Enhancement Action Programme):** Implemented the LEAP initiative, aimed at enhancing leadership capabilities among managers. Through tailored training and development interventions, participants gained valuable insights and strategies to drive organizational success through effective leadership practices.

**LEP (Leadership Excellence Programme) by Dale Carnegie:** Partnered with Dale Carnegie to deliver the Leadership Excellence Programme, empowering Senior managers to maximise their potential and inspire high performance within their teams. The program emphasized practical tools and techniques for effective leadership in today's dynamic business environment.

**ALP (Accelerated Leadership Programme) by IIM Indore:** Collaborated with the prestigious IIM Indore to offer the Accelerated Leadership Programme, designed to accelerate the development of high-potential leaders within the organisation. Participants underwent rigorous training and coaching to hone their leadership skills and prepare them for senior leadership roles.

**Dr. Marshall Goldsmith – Executive Coaching Programme:** Implemented the Executive Coaching Programme led by renowned leadership coach Dr. Marshall Goldsmith. Through personalised coaching sessions, senior executives received expert guidance and support to address specific leadership challenges, drive personal growth, and achieve their professional goals.

**Lumina Spark - Assessment for Leaders:** Introduced the Lumina Spark assessment tool to evaluate and enhance leadership effectiveness within the organization. By gaining insights into individual strengths, preferences, and potential blind spots, leaders were better equipped to adapt their leadership styles and foster greater collaboration and performance within their teams.

**Learning Metrics Achieved:**

- Total learning hours : 1,72,587 (April 2023 to March 2024)

- Average learning hours per employee : 40.2 hours (against a 40-hour target)
- Self-learning hours : 1,03,271 hours (60% of total hours)
- Unique no. of associates trained (headcount active) : 4,359
- Total Certifications : 6,293

**Expert Connect Sessions:**

Successfully published conducted over 15 sessions, drawing an attendance of more than 500 participants. These sessions facilitated direct access to subject matter experts, fostering knowledge exchange and professional development across the organisation.

- **Knowledge Sharing Sessions:** Conducted over 20 sessions reaching out to a broad audience of 1,000+ employees. These sessions served as valuable platforms for sharing insights, best practices, and expertise, enriching the collective knowledge base and promoting collaboration and learning among peers.

These achievements collectively demonstrate the organisation's dedication to fostering a culture of continuous learning, skill development and growth for its employees, ultimately contributing to enhanced performance and success.

**41. Quality, Technology and Systems:**

**Engineering, Technology and Consulting:**

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, AS 9100D, TISAX, PCI DSS and SSAE 18/ISAE3402 certifications.

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

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

The Company has adopted a 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 quality management system to deviate from the planned results, put in place preventive controls to minimise 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 reorganisation.

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

All offshore 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 organisation. Its establishment and implementation are influenced by the organisation's needs and objectives, security requirements, processes used and 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 it from any disruptions 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, demonstrating to external stakeholders how secure the Company information is, staying 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 organisation'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 (International Standard on Assurance Engagements):**

The offshore testing and development centre of the Company at Chennai & Coimbatore 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 and development 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 organisation's senior management and clients. The Company has been assessed for the past Eight 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 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's Chennai locations are 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.

### **AS9100D (Aerospace Quality Management System)**

The company at Bangalore location is certified to Aerospace standard AS9100D certification.

The organization holds the prestigious AS9100D certification, signifying its commitment to excellence in the aerospace industry. AS9100D encompasses rigorous quality management standards specifically tailored for aviation, space, and defense products and services. By adhering to AS9100D guidelines, the Company ensures safety, reliability, and operational efficiency. This certification not only enhances its global recognition but also fosters continual improvement, making it a preferred partner for aerospace clients and suppliers worldwide.

The Company ensures that it has robust quality management systems in place with AS9100D certification. Many aerospace manufacturers and suppliers prefer working with certified partners, making AS9100D crucial. This certification is recognised worldwide and opens doors to large Original Equipment Manufacturers (OEMs). It provides a framework for continual improvement, enhancing overall efficiency.

It is essential for any aerospace-related company aiming to improve quality, cost, and delivery performance while adhering to industry-specific requirements.

### **TISAX Certification (Trusted Information Security Assessment Exchange)**

The Automotive Business unit of the Company at Bengaluru and Pune locations are certified to TISAX certification.

TISAX is a specialised information security standard designed specifically for the automotive industry. It ensures that sensitive data remains secure throughout the entire production process. TISAX certification validates an organisation's information security system, ensures compliance with security requirements, and fosters trust within the automotive industry. The Company's TISAX compliance gain a competitive edge, as it demonstrates its commitment to data security and reliability to potential customers.

The Company achieves information security by implementing a suitable set of controls, including policies, processes, procedures, organisational structures and software and hardware functions. These controls are established, implemented, monitored, reviewed, and improved to meet the organisation's specific security and business objectives.

The Company is empanelled by **CERT-In** for providing information Security Auditing Service.

### **Compliance to Data Protection Laws:**

Data protection is a significant concern for organisations 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 recognised as more and more social and economic activities become online. When it comes to data protection, different countries have enacted different 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 also have 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 organisational 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 organisational measures to protect data but also implemented processes for regular monitoring to protect itself from data breaches.

#### **42. 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 for the financial year 2023-24. 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 so far for the financial year 2023-24.

#### **43. Listing Fees:**

The Company confirms that it has paid the annual listing fees for the financial year 2023-24 to both National Stock Exchange of India Limited and BSE Limited.

#### **44. Acknowledgments:**

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

The Company thanks the Government of India, particularly the Ministry of Communication and Information Technology, the Ministry of Commerce, the Ministry of Finance, the Ministry of Corporate Affairs, the Customs and Excise departments, the Income Tax Department, the Reserve Bank of India, the State Governments, Madras Export Processing Zone (MEPZ) and other government agencies for their support and looks forward to their continued support in the future. The Company also thanks the Governments of the countries where it has operations. The Directors wish to record their appreciation of business constituents like SEBI, NSE, BSE, NSDL, CDSL, etc., for their continued support for the Company's growth. The Directors also thank investors for their continued faith in the Company.

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

**Ralph Franz Gillessen**

Chairman and Non-Executive Director

DIN : 05184138

**Place: Cologne, Germany**

**Date : June 14, 2024**

## Annexure – I

### 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	5
Name of the Subsidiary	Expleo Solutions Pte. Ltd., Singapore	Expleo Solutions Inc., USA	Expleo Solutions UK Ltd., UK	Expleo Solutions FZE, UAE	Expleo Solutions LLC, Dubai
Date of Incorporation	21-Nov-2001	29-Apr-2002	1-Apr-2010	15-Jun-2010	29-Nov-2023
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	NA	NA	NA	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Singapore Dollars (SGD)	US Dollars (USD)	Great British Pound (GBP)	United Arab Emirates Dirham (AED)	United Arab Emirates Dirham (AED)
	61.82	83.37	105.29	22.69	22.69
	(SGD VS INR as on 31.03.2024)	(USD VS INR as on 31.03. 2024)	(GBP VS INR as on 31.03. 2024)	(AED VS INR as on 31.03. 2024)	(AED VS INR as on 31.03.2024)
Share Capital (in Millions)	6.18	8.34	36.85	13.61	3.40
Reserves & Surplus (in Millions)	161.88	197.49	187.76	88.86	3.32
Total Assets (in Millions)	207.96	501.95	556.73	129.07	33.96
Total Liabilities (in Millions)	39.90	296.12	332.11	26.60	27.24
Investments (in Millions)	Nil	Nil	Nil	Nil	Nil
Turnover (in Millions)	63.33	377.30	41.91	295.99	36.44
Profit / (Loss) before taxation (in Millions)	14.71	53.82	23.09	11.81	3.38
Provision for taxation (in Millions)	1.60	16.43	5.81	-	-
Profit / (Loss) after taxation (in Millions)	13.12	37.39	17.28	11.81	3.38
Proposed Dividend	Nil	Nil	Nil	Nil	Nil
Extent of shareholding (in percentage)	100%	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 ventures 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**

<b>RALPH FRANZ GILLESSEN</b>	<b>BALAJI VISWANATHAN</b>	<b>PERIAKARUPPAN PALANIAPPAN</b>	<b>S. SAMPATH KUMAR</b>
Chairman & Director	Managing Director & CEO	Chief Financial Officer	Company Secretary & Compliance Officer
DIN: 05184138	DIN: 06771242		ICSI Membership No. F3838
Place : Cologne, Germany	Place : Chennai	Place : Chennai	Place : Ohio, USA
Date : June 14, 2024	Date : June 14, 2024	Date : June 14, 2024	Date : June 14, 2024

## Annexure - II

### 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)	Expleo Solutions LLC, Dubai (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	Availing and Rendering of Services
c)	Duration of the contracts / arrangements / transactions	1 year from April 1, 2023 till March 31, 2024	3 years from April1, 2021 till March 31, 2024	3 years from April1, 2021 till March31, 2024	3 years from April 1, 2021 till March 31, 2024	3 years from April 1, 2021 till March 31, 2024	February 1, 2024 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)	Expleo Solutions LLC, Dubai (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 3,600 Mn. per financial year.  From Group Companies to Expleo Solutions Limited & its Subsidiaries – Up to INR 1,300 Mn. per financial year.	From Subsidiary to holding Company – Up to INR 1,000 Mn. for the financial year 2023-24.  From Holding to Subsidiary Company – Up to INR 1,500 Mn. for the financial year 2023-24.	From Subsidiary to holding Company – Up to INR 200 Mn. for the financial year 2023-24.  From Holding to Subsidiary Company – Up to INR 300 Mn. for the financial year 2023-24.	From Subsidiary to holding Company – Up to INR 600 Mn. for the financial year 2023-24.  From Holding to Subsidiary Company – Up to INR 1,200 Mn. for the financial year 2023-24.	From Subsidiary to holding Company – Up to INR 600 Mn. for the financial year 2023-24.  From Holding to Subsidiary Company – Up to INR 100 Mn. for the financial year 2023-24.	From Subsidiary to holding Company – Up to INR 600 Mn. for the financial year 2023-24.  From Holding to Subsidiary Company – Up to INR 100 Mn. for the financial year 2023-24.
e)	Date(s) of approval by the Board, if any	25-May-23	25-May-23	25-May-23	25-May-23	25-May-23	22-Mar-24
f)	Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil	Nil

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

**Place: Cologne, Germany**

**Date : June 14, 2024**

**Ralph Franz Gillessen**

Chairman & Non-Executive Director

DIN : 05184138

## Annexure III

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

(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 2023-24, 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	4
3	Ms. Lilian Jessie Paul	Independent Director	4	2

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.	CSR Committee: <a href="https://investors.expleo.com/corporate-governance/">https://investors.expleo.com/corporate-governance/</a> CSR Policy: <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> CSR Projects: <a href="https://investors.expleo.com/csr-certifications/">https://investors.expleo.com/csr-certifications/</a>
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 1,249,559,582
7	(a) Two percent of average net profit of the company as per section 135(5)	INR 24,991,192

	(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 24,991,192
8	(a) CSR amount spent or unspent for the financial year:	

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
24,993,003	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	222,250	No	Vidya Sagar	CSR00003082	
2	High School Project	Education	Yes	Maharashtra	Mumbai	2,062,584	No	Vidya Sagar	CSR00003082	
3	Care Giver Programme	Education	Yes	Maharashtra	Mumbai	788,646	No	Vidya Sagar	CSR00003082	
4	Sadya	Education	Yes	Tamil Nadu	Chennai	400,000	No	Vidya Sagar	CSR00003082	
5	School Van	Education	Yes	Tamil Nadu	Chennai	1,661,200	No	Vidya Sagar	CSR00003082	

(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
6	Mobile Innovation Lab, Chennai	Education	Yes	Tamil Nadu	Chennai	1,482,220	No	Agastya International Foundation	CSR00003442
7	Science Center - Virugambakkam	Education	Yes	Tamil Nadu	Chennai	573,800	No	Agastya International Foundation	CSR00003442
8	Science Center - Choolaimedu	Education	Yes	Tamil Nadu	Chennai	573,800	No	Agastya International Foundation	CSR00003442
9	Mobile Science Lab, Bengaluru	Education	Yes	Tamil Nadu	Chennai	1,482,220	No	Agastya International Foundation	CSR00003442
10	Science Centre, Thurbe, Mumbai	Education	Yes	Tamil Nadu	Chennai	782,017	No	Agastya International Foundation	CSR00003442
11	Monthly contribution	Education	Yes	Karnataka	Bengaluru	7,500	No	Diya Ghar	CSR00002722
12	Community Model – 2 Centers	Education	Yes	Karnataka	Bengaluru	1,350,000	No	Diya Ghar	CSR00002722
13	Afforestation, Maintenance	Environment	Yes	Tamil Nadu	Chennai	240,000	No	Siruthuli	CSR00000023
14	Afforestation, Coimbatore	Environment	Yes	Tamil Nadu	Chennai	1,000,008	No	Siruthuli	CSR00000023
15	Continuation of School Infrastructure, Chennai	Education	Yes	Tamil Nadu	Chennai	514,930	No	Rotary Club	CSR00008950
16	Smart boards for Government Schools	Education	Yes	Tamil Nadu	Chennai	2,889,000	No	Rotary Club	CSR00008950
17	Monthly Contribution	Education	Yes	Maharashtra	Pune	107,262	No	Jagrut Apang Sanghatana, Pune	MAH/813/Pune/81
18	School Building fabrication work, Pune	Education	Yes	Maharashtra	Pune	1,087,612	No	Jagrut Apang Sanghatana, Pune	MAH/813/Pune/81
19	School Classroom and Corridor Passage Flooring work, Pune	Education	Yes	Maharashtra	Pune	1,466,917	No	Jagrut Apang Sanghatana, Pune	MAH/813/Pune/81

(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
20	Computer Lab for Mahilashram High School & Jr. College, Pune	Education	Yes	Maharashtra	Pune	3,163,705	No	Maharshi Karve Stree Shikshan Samstha	CSR00003823
21	Enabling Rural Students, Bengaluru	Education	Yes	Karnataka	Bengaluru	3,000,000	No	Swadha Foundation	CSR00011353
22	Prime Minister Relief Fund	Prime Minister Relief Fund	Yes	Tamil Nadu	Chennai	50,000	Yes	-	-
	<b>Total</b>					<b>24,905,671</b>			

(d)	Amount spent in Administrative Overheads:	INR 87,332
(e)	Amount spent on Impact Assessment, if applicable	NIL
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	INR 24,993,003
(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 24,991,192
ii)	Total amount spent for the Financial Year	INR 24,993,003
iii)	Excess amount spent for the financial year [(ii)-(i)]	INR 1,811
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)]	INR 1,811

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 per cent of the average net profit as per section 135(5).							NA

**Balaji Viswanathan**  
Managing Director & CEO  
Place : Bengaluru  
Date : June 14, 2024

**Lilian Jessie Paul**  
Chairperson - CSR Committee  
Place : Singapore  
Date : June 14, 2024



## 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 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	22,055,617	B.Sc., ICWAI (Inter)	31	26/Jul/2018	52	Sr. Director - Global Banking & Insurance Delivery - Concentrix Daksh Service India Pvt Ltd	-	NA
2	Prashant Bramhankar	Whole Time Director & COO *	17,411,042	Mechanical Engineer, Executive Mgt from IIMB & Uni of Cologne	34	13/Apr/2015	54	Director - Siemens Industry Software India Pvt Ltd.	-	NA
3	Phani Tangirala	Senior Director- Sales and Client Management	12,922,778	B A	33	23/Sep/2010	52	Project Director - SSP India Private Limited	0.04	NA
4	Subramanian M S	Senior Director	12,650,885	Master of Science in Physics Master of Technology in Optical Communication Exe Diploma in Management from Symbiosis	23	28/Mar/2016	50	Program Manager - Tata Consultancy Services	-	NA
5	Venkataramana Mantha	Senior Director	11,876,721	M.Tech and MS	40	3/Mar/2016	61	Senior VP – Aerospace at AXISCADES	-	NA
6	Prasad Satkar	Senior Director	10,463,945	B.E. (Electrical) PCDBA (Operations)	37	6-Apr-2015	57	Business Operations Director – SAP Labs India Pvt Ltd	-	NA

\* Whole-time Director - Resigned w.e.f Nov 09, 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

**Top Ten Employees in terms of Remuneration drawn during the financial year 2023-24**

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	22,055,617	B.Sc, ICWAI (Inter)	31	26/Jul/18	52	Sr. Director - Global Banking & Insurance Delivery - Concentrix Daksh Service India Pvt Ltd	-	NA
2	Prashant Bramhankar	Whole Time Director & COO *	17,411,042	Mechanical Engineer, Executive Mgt from IIMB & Uni of Cologne	34	13/Apr/15	54	Director - Siemens Industry Software India Pvt Ltd.	-	NA
3	Phani Tangirala	Senior Director-Sales and Client Management	12,922,778	B A	33	23/Sep/10	52	Project Director - SSP India Private Limited	0.04	NA
4	Subramanian M S	Senior Director	12,650,885	Master of Science in Physics Master of Technology in Optical Communication Exe Diploma in Management from Symbiosis	23	28/Mar/2016	50	Program Manager – Tata Consultancy Services	-	NA
5	Venkataramana Mantha	Senior Director	11,876,721	M.Tech and MS	40	03/Mar/16	61	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:
6	Prasad Satkar	Senior Director	10,463,945	B.E. (Electrical) PGDBA (Operations)	37	06/Apr/15	57	Business Operations Director – SAP Labs India Pvt Ltd	-	NA
7	Saket Newaskar	Director	10,140,307	BE, PGDBM (MDI - Gurgaon)	18	18/May/20	40	CTO - Joguru Technologies Private Limited	-	NA
8	Judson Daniel J M	Associate General Manager	10,137,491	B.Com MCA	21	20/Feb/03	45	First Employment in Thinksoft Solutions	-	NA
9	Srinivasa Sundar B	Associate General Manager	9,173,864	B. E	20	17/Jan/05	42	First Employment in Thinksoft Solutions	-	NA
10	Sinha Saikat	Senior Director	9,060,054	BE (Mechanical)	21	27/Jun/22	47	Manager (Cognizant)	-	NA

\* Whole-time Director - Resigned w.e.f Nov 09, 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

**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	Periakaruppan Palaniappan	Chief Financial Officer	8,439,548	Chartered Accountant	26	05/Oct/23	48	Client Partner - Fractal Analytics 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**

**Ralph Franz Gillissen**

**Date: June 14, 2024**

Chairman and Non-Executive Director

DIN : 05184138

## Annexure - IV B

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	26.74 : 1 (1 denotes Median Salary)
2	Prof. K.Kumar	3.40 : 1 (1 denotes Median Salary)
3	Ms. Lilian Jessie Paul	3.21: 1 (1 denotes Median Salary)
4	Prof. S. Rajagopalan	3.31 : 1 (1 denotes Median Salary)
5	Mr. Rajiv Kuchhal	3.29 : 1 (1 denotes Median Salary)
6	Mr. Ulrich Baümer	2.83 : 1 (1 denotes Median Salary)

- The working is based on payment/provision made in the books during the year.
- Median is calculated based on the cost to the company (CTC) of permanent employees as at March 31, 2024.

### 2 Percentage increase in remuneration:

Sl.No.	Name	Designation	Percentage increase/ decrease in remuneration
1	Prof. K.Kumar	Director	29% increase compared to previous year*
2	Mr. Balaji Viswanathan	Managing Director & CEO	NA#
3	Ms. Lilian Jessie Paul	Director	36% Increase compared to previous year*
4	Prof. S. Rajagopalan	Director	25% Increase compared to previous year*
5	Mr. Rajiv Kuchhal	Director	28% increase compared to previous year*
6	Mr. Ulrich Baümer	Director	36% increase compared to previous year.#
7	Mr. Periakaruppan Palaniappan	Chief Financial Officer (w.e.f. Dec 01, 2023)	NA#
8	Mr. S. Sampath Kumar	Company Secretary & Compliance Officer	NA#
9	Mr. Desikan Narayanan	Chief Financial Officer (Resigned w.e.f Nov 09, 2023)	NA#

\* The working is based on provisions made in the books during the current year and the payment will be made during the FY 2024-25.

# The salary revision cycle for all employees which is January to December was changed to April to March going forward. The next salary revision cycle will be from April 1, 2024 instead of January 1, 2024.

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

The percentage of increase in the Median employee remuneration is 3% as compared to the previous year.

**4 Permanent Employees:**

The Number of Permanent Employees on the rolls of the Company as on March 31, 2024 is 4,291 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 2022-23, the overall salary increased to employees around 13% (i.e. w.e.f. Jan '23) (which excludes Managerial Remuneration)
b	Percentile increase in managerial remuneration	The salary revision cycle for all employees which is January to December was changed to April to March going forward. The next salary revision cycle will be from April 1, 2024 instead of January 1, 2024.
c	The comparison with the percentile increase in the employee remuneration with managerial remuneration and justification thereof	
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 : June 14, 2024**

**Ralph Franz Gillessen**

Chairman and Non-Executive Director

DIN : 05184138

## Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,

**The Members of**

**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 forevaluating 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, 2024 ("**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, 2024 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; **(there were no events requiring compliance during the Audit Period)**
- (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 (Buy-back 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;

- a) The Special Economic Zone Act, 2005 and rules made thereunder
- b) The Contract Labour (Regulation and Abolition) Act, 1970
- c) The Employees' Compensation Act, 1923
- d) The Employees' Provident Funds & Miscellaneous Provisions Act, 1952
- e) The Employees' State Insurance Act, 1948
- f) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- g) The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
- h) The Industrial Disputes Act, 1947
- i) The Maternity Benefit Act, 1961
- j) The Minimum Wages Act, 1948
- k) The Payment of Bonus Act, 1965
- l) The Payment of Gratuity Act, 1972
- m) The Payment of Wages Act, 1936
- n) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- o) The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
- p) The Tamil Nadu Labour Welfare Fund Act, 1972
- q) The Tamil Nadu Payment of Subsistence Allowance Act, 1981
- r) The Tamil Nadu Shops and Establishments Act, 1947
- s) The Tamil Nadu Industrial Establishment (National, Festival and Special Holidays) Act, 1958
- t) The Tamil Nadu Tax on Professions, Trades & Callings and Employments Act, 1992
- u) The Maharashtra Shops And Establishments (Regulation Of Employment And Conditions of Service) Act, 2017
- v) 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 Women 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 at the Board Meetings were taken unanimously and there was no instance of dissent by any director during the period under review.

**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 events had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. Pursuant to the applicable provisions of the Companies Act, 2013 the certified copies of the order of the respective NCLTs sanctioning the Scheme of Amalgamation have been filed 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.

**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:F007488F000360258**

**Place :** Chennai

**Date :** May 13, 2024

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 - I

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
**The Members of  
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:F007488F000360258**

**Place :** Chennai

**Date :** May 13, 2024

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 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 '24 contributed 44.35% of our total business, as against 44% 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 2023-24 grew by 6% compared to the previous year - from INR 9,194 million to INR 9,724 million. EBITDA witnessed a downfall of 28% from INR 2162 million (23.9%) to INR 1558 million (16.2%) and our PAT reduced by 32.5% from INR 1,339 million (14.6%) to INR 904 million (9.30%). The cost optimization measures that we took last quarter is expected to show increase in profitability over the next couple of quarters. There is continued effort in ensuring that we are optimizing our utilization rates and G&A costs while balancing with expected future demand. DSO as of 31<sup>st</sup> March 2024 was at 104 days as compared to 113 days as of 31<sup>st</sup> March 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-24	31-Mar-23	Change %	Explanation
1.	Inventory Turnover	0.00	6.45	-100%	There is no inventory during these periods.
2.	Current Ratio	5.77	3.30	75%	Current ratio increase is mainly due to increase in Trade receivables, Cash & Bank balances and reduction in Trade Payables.
3.	Operating Profit Margin (%)	15%	22%	-31%	Revenue growth by 7% and Operating expenses increased by 16% resulted in reduction in Operating Profit Margin during the year.
4.	Net Profit Margin (%) or sector-specific equivalent ratios, as applicable	9%	15%	-37%	Revenue growth by 7% and Net profit decrease by 32% during the year has resulted in decrease in ratio.
5.	Change in Return on Net Worth.	15%	25%	-41%	Revenue growth by 7% and Operating expenses increased by 16% resulted in reduction in Operating Profit.

### Industry Structure and Developments

The future of technology is no longer a distant vision. Artificial intelligence (AI) is already deeply embedded in our daily lives. According to Forrester Research, a remarkable 73% of consumers have interacted with a chatbot in the past year, highlighting AI's growing role in customer service. But its influence extends far beyond chatbots, revolutionizing industries and the way we navigate the world.

This transformation significantly impacts the key industries Expleo works with. In the Banking, Financial Services, and Insurance (BFSI) sector, AI is crucial in combating fraud. Gartner estimates that AI can prevent up to 80% of financial fraud attempts. The healthcare sector is another area experiencing substantial disruption, with leading research firms like McKinsey & Company predicting that healthcare will invest over \$260 billion in AI by 2030. AI is set to personalize financial advice, automate processes, and aid in medical diagnoses, showcasing endless possibilities.

AI's impact also reaches the skies. Airlines are using AI to optimize flight paths, reducing fuel consumption by up to 5%, and predicting maintenance needs to enhance safety and efficiency. Closer to home, the auto industry is experiencing a massive shift with the advent of self-driving cars and advanced driver-assistance systems, all reliant on AI. In retail, AI personalizes marketing campaigns, manages inventory, and interacts with customers via chatbots to enhance the shopping experience.

McKinsey & Company estimates that AI can boost productivity by up to 40% by streamlining production lines and predicting equipment failures before they occur. AI not only ensures smooth operations but also improves quality control.

The message is clear: AI is more than a buzzword—it's a revolution in progress. From shaping daily interactions to transforming entire industries, its impact is undeniable. With immense potential for growth, AI promises to further reshape the global landscape in the years to come.

### Opportunities and Threats

With the dawn of unprecedented transformation comes risk. And overcoming risks leads to sustainable benefits in the long run for every type player in the industry. AI poses significant threats to the IT service industry. One major risk is job displacement, as AI-driven automation can replace roles traditionally performed by human workers, leading to potential job losses. Additionally, the rapid evolution of AI technology may outpace the ability of IT professionals to keep their skills updated, creating a skills gap and making it harder to find qualified personnel.

Moreover, AI systems can introduce new cybersecurity vulnerabilities. If not properly secured, AI algorithms and data can be exploited by malicious actors, leading to data breaches and other cyber threats. There is also the risk of over-reliance on AI, where critical thinking and problem-solving skills may diminish among IT professionals. Lastly, ethical concerns about AI decision-making processes can lead to regulatory challenges and potential legal issues, complicating the deployment and management of AI technologies in the industry.

However, Expleo is poised for a significant transformation driven by AI. We are committed to leveraging cutting-edge technology to help our clients revolutionize various industries. Over the past year, we have focused on aligning our vision and strategy with this transformation, and the coming year will be dedicated to driving change.

**Industry-Specific Solutions:** Expleo will use AI to develop specialized solutions tailored to different industries. This includes AI-powered tools for predictive maintenance in manufacturing, optimizing logistics in transportation, and personalizing customer experiences in retail. For example, Expleo collaborated with an automotive manufacturer to analyze reviews across multiple languages using AI. This analysis pinpointed specific features and issues, allowing for proactive problem-solving and data-driven product development.

We also helped a renowned multinational food chain optimise its global AI strategy. We created a unified platform that lets their users find, understand, trust, and collaborate on data. This enabled them to make data-driven decisions, significantly boosting productivity, quality, and efficiency. Opportunities like these allow us to showcase our Digital Assurance (Quality Assurance & Engineering) offerings, perfect for customers ready to transform or scale. Such granularity makes generative AI a game-changer for businesses.

**Democratizing AI for Businesses:** Many businesses lack the expertise or resources to implement AI independently. We see an opportunity to bridge this gap by offering AI-as-a-service (AlaaS) solutions. This enables businesses of all sizes to leverage AI without significant upfront investment. AlaaS

can be utilized for tasks like data analysis, automating workflows, and gaining customer insights, empowering businesses to compete more effectively.

**Enhanced Security and Risk Management:** Cybersecurity threats are continually evolving. AI is a powerful tool for Expleo to build advanced security solutions with governance and compliance at the core. AI-powered systems can analyze data patterns to detect and prevent cyberattacks in real-time, and identify potential vulnerabilities before they are exploited. This proactive approach provides our customers with greater peace of mind and helps mitigate security risks.

**Faster Innovation and Development:** The traditional software development lifecycle can be slow and cumbersome. AI can streamline this process by automating repetitive tasks, allowing us to develop and deploy new solutions faster. This enhances product quality control, operational efficiency, and customer experience, helping businesses stay ahead of the curve and adapt to changing market demands.

**Data-Driven Decision Making:** In today's data-driven world, businesses need to make informed decisions based on insights from vast amounts of data. AI can analyze this data and provide actionable insights that businesses can use to optimize operations, improve marketing strategies, and personalize customer experiences. Expleo leverages AI to offer data analytics services that empower businesses to make smarter decisions.

### Segment-wise or product-wise performance

#### Data and Modernisation Story Continues

Across all the Industry that Expleo is servicing, we see a significant scope for building the right and cost-effective solutions for infrastructure and platforms for consolidating Enterprise Data. This is also a significant part of the conversations we are having for Enterprise Platform Modernization. This is in line with organizations trying to get ready to leverage AI and Machine Learning. Customers are looking for innovative partners like Expleo who have a strong Domain, Technology and Quality Assurance Perspective to deliver strong data platforms with focus on Data Quality. Expleo's deep understanding of processes and data associated with it positions it to deliver these solutions.

#### Conversations on Applications and Services Modernisation continue but cloud cost is in focus



Industry focus on digitization of their products and services continuous to persist however there is a growing focus on cloud cost optimization. Making Application Cloud agnostic with orchestration through Kubernetes and Open shift is a growing trend. Certain applications that do not have performance and scalability needs are being pulled back on premise. Organizations are also pursuing Super Apps strategy for their backends which can support multiple versions of front ends driving efficiencies for their backend infrastructure.

Key theme being doing more with less without compromising on quality and performance. Expleo with its focus on optimal super app architecture and high-quality focus is uniquely positioned to deliver such modernisation solutions.

## Automation in top gear: AI opportunities on the radar



With high productivity focus, customers are exploring new way to enhance efficiency across their teams. Process automation has been a growing theme for the last few years. New themes with AI include improvement of individual productivity leveraging co-pilots for technical and non-technical tasks. Expleo believes that with higher productivity pace for digitisation and innovation will quicken in the next few years and therefore Expleo is well positioned to address these changes with its ability to bring in the right tools for productivity enhancement for the overall transformation of client organisations.

### Traction for Low-code, no-code

Low-Code No-Code solutions are seeing significant traction, but clients are also struggling to choose the right platforms for themselves. With Expleo's deep domain and technology understanding, Expleo has helped many of its clients to choose the right tools for Low-Code platforms and integrate them in the client landscape.

### AI and its implications

As AI and its implications take center stage in many conversations, Expleo has been at the forefront in pioneering Digital Transformation and Product Engineering solutions leveraging AI.

Expleo has also been at the forefront helping its client mine and prioritize impactful use cases for creating impact with this transformative technology. From this perspective, Expleo is well positioned and is also right sized to reap the benefits of this transformative technology.

### Outlook

Expleo is built on a robust foundation essential for AI-driven transformation. Cloud computing offers the processing power and scalability required for complex AI tasks. Our investment in DevSecOps fosters collaboration to build secure AI systems, while rigorous QA-QE practices ensure the accuracy, fairness, and reliability of AI models. This combined approach, with cloud as the launchpad and AI/ML as the engine, unlocks the true transformative potential of AI. For example, Expleo's data governance services guide clients in accessing high-quality data for informed decisions, ensuring data accuracy and implementing strict privacy controls. Leveraging our expertise, Expleo helps clients extract more value from their data and make better decisions.

### Achieving a Digital Sustainability Future with AI:

Our digital world thrives on innovation, but at what cost to the environment? AI can unlock a future where progress meets sustainability. AI can optimize cloud infrastructure to allocate resources intelligently and reduce energy consumption. It automates repetitive tasks in development and IT operations, eliminating wasted effort and human error. AI-powered predictive maintenance extends IT equipment lifespan, reducing unnecessary replacements. Responsible data governance minimizes storage waste and protects sensitive information.

Beyond efficiency, AI enhances cybersecurity by proactively identifying and preventing threats, reducing the risk of data breaches. Integrating security into the development process (DevSecOps) helps avoid costly rework from vulnerabilities discovered later. AI-powered testing tools streamline quality assurance and engineering (QA-QE), catching issues early and preventing future fixes. By embracing AI, cloud, and responsible practices, organizations can significantly reduce their IT footprint, lower operational costs, and minimize environmental impact.

### **Driving DE&I and Talent of the Future with AI:**

The tech industry faces a talent crunch amid rising costs and economic uncertainty. The pandemic accelerated digital transformation, creating new business avenues. Embracing a hybrid work model offers flexibility and boosts retention. Investing in upskilling and reskilling is crucial to stay ahead. AI can mitigate bias in recruitment, ensuring a more diverse workforce. AI-driven sourcing tools and skills-based assessments expand the talent pool, while AI-powered learning platforms bridge skill gaps with personalized training programs.

The future of tech lies in the synergy between human and machine intelligence. Robotics expertise will be crucial for sophisticated automation, while “techno-functional skills” blend technical and business knowledge. By leveraging AI to build a diverse workforce and focusing on both robotics and techno-functional skills, the tech industry can increase productivity and efficiency.

Expleo is ready to harness AI’s potential to reshape businesses, ensuring on-time deliveries, budget adherence, and client satisfaction. AI streamlines project management by predicting bottlenecks and optimizing costs. It assists in talent acquisition and training, fostering continuous learning and innovation. By leveraging AI for efficiency, talent development, and client satisfaction, businesses can create a future of success built on innovation and trust.

### **Risks and Concerns**

AI introduces several risks in the IT services industry, including job displacement due to automation, creating a skills gap as technology evolves rapidly. Cybersecurity vulnerabilities arise if AI systems aren’t properly secured, and over-reliance on AI can diminish critical thinking skills. Ethical concerns, such as bias and transparency in AI decision-making, complicate regulatory compliance. Data privacy is at risk due to AI’s data needs, and high implementation costs can be a barrier, especially for smaller firms. Dependence on data quality affects AI accuracy, and resistance to change among employees can hinder successful AI integration.

### **Internal control 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, which confirms the adequacy of the internal control systems and procedures.

### **Material developments in Human Resources / Industrial Relations front, including number of people employed**

Expleo is the home of bold and reliable minds. We combine and balance these two forces of business innovation to deliver excellence for our customers. As at March 31, 2024, Expleo Solutions Limited employed around 4,291 employees, including trainees with 32% women in the workforce. This includes employees working in Expleo Solutions Limited branches and subsidiaries.

At Expleo, it is our constant endeavor to make Expleo a place where people can be their best selves. We are proud to receive the Great Place to Work certification again for the period from January 2024 to January 2025. Key highlights of the GPTW 2023 survey results:

- GPTW score for 2023 is 80% (+2 from last year).
- 77% of employees believe that Expleo will act on the survey results (+1% from 2022)
- 84% of employees believe that Expleo is a great place to work (+3% from 2022)
- 85% of employees are proud to tell others that they work with Expleo

### Key initiatives of this year:

- **Augment the Rewards and Recognition Program** to ensure that more employees and even the smallest contribution is recognized. A mixture of both monetary and non-monetary rewards that encourages the individuals and the team. It includes an element of rewards driven through points system.
- **Retention Champions Program** introduced so that the managers who take the extra effort to retain the talent and develops camaraderie are rewarded, thus ensuring that the attrition is controlled.
- **Internal Career Fair** to ensure employees are aware of the various business diversities and identify aspiring individuals who are looking for career rotation within Expleo, rather than finding a job outside.

### Learning and Leadership Development:

The development of our employees continues to be a key area of strategic focus for us. We launched new programs for leadership development. Internal Trainers programme was launched to encourage employees to provide training internally for new joiners. Proactive trainings on future technologies such as AI are being imparted through our ‘Discover & Share’ initiative, a monthly programme where we share best practices and use cases. As part of our induction program, we introduced Global Onboarding program which is mandatory for all employees.

Our partnerships with Coursera and Udemy offer employees access to an extensive library of courses on emerging technologies, essential soft skills, and personalised learning paths. We are committed to upskilling our teams and leadership on the latest technologies and AI, ensuring they are equipped to meet the challenges of tomorrow, today.

### Internal Complaints Committee

At Expleo, our goal has been to create an open and safe workplace where each and every employee feels empowered to contribute to the best of their abilities, irrespective of gender, sexual preferences or any other classification that has no bearing on the employee’s work output. Expleo has constituted an Internal Complaints Committee (ICC) for all the centers of the Company across India to consider and resolve all sexual harassment complaints reported by women.

### Employee well-being

At Expleo, employee well-being has taken precedence over the past years and developed into a more substantial model with the help of our Employee Assistance and Wellness Program Partner. Our endeavor has been to enhance the well-being experience for our employees and their families with an increased focus on mental and physical health. Other benefits of this program include discounted medicines, health risk assessment, daily events by experts, blogs by expert professionals, 24\*7 Helpline by qualified clinical psychologists, and much more.



## 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 judgement 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, 2024, the Board of Directors ("**Board**") comprises eight members of which one is Executive Director, one Non-Executive Director is representing the Promoter, one Non-Executive Director is nominated by the Promoter, and five are Non-Executive-Independent Directors.

Consequent to the end of second term of four Non-Executive-Independent Directors on March 31, 2024, the Board was reconstituted with the appointment of three new Non-Executive-Independent Directors, w.e.f. April 1, 2024, by a Postal Ballot dated March 21, 2024.

As on April 1, 2024, the Board comprises of seven members of which one is Executive Director, one Non-Executive Director is representing the Promoter, one Non-Executive Director is nominated by the Promoter, and four 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, none 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.

Sl. No.	Date of Meeting	Physical/Video Conference
1	April 11, 2023	Video Conferencing
2	May 25, 2023	Video Conferencing
3	August 10, 2023	Video Conferencing
4	November 9, 2023	Video Conferencing
5	February 7, 2024	Physical
6	March 22, 2024	Video Conferencing
7	March 30, 2024	Video Conferencing

**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 2023-24			Whether attended last AGM held on August 10, 2023	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	1	No	-	-
Mr. Balaji Viswanathan	Managing Director & CEO	7	7	7	Yes	-	-
Ms. Lilian Jessie Paul	Independent & Non-Executive Director	7	7	5	Yes	3	3
Prof. S. Rajagopalan	Independent & Non-Executive Director	7	7	6	Yes	-	-
Mr. Prashant Eknath Bramhankar *	Whole-time Director & Chief Operating Officer	7	3	3	Yes	-	-
Mr. Rajiv Kuchhal	Independent & Non-Executive Director	7	7	6	Yes	-	-
Mr. Ulrich Bäumer	Independent & Non-Executive Director	7	7	3	No	-	-

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

\* Mr. Prashant Eknath Bramhankar ceased to be a Whole-time Director & Chief Operating Officer of the Company w.e.f. November 9, 2023.

**Notes:**

- a. None of the Directors-, hold 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 of 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.
Prof. K. Kumar	
Mr. Balaji Viswanathan	
Ms. Lilian Jessie Paul *	(ii) Behavioural skills: attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
Prof. S. Rajagopalan	(iii) Business Strategy, Corporate Governance, Forex Management, Administration, Decision Making.
Mr. Rajiv Kuchhal	
Mr. Ulrich Bäumer	(iv) Sales & Marketing: Developing strategies to grow sales and market share, build brand awareness and equity, and enhance Company's reputation.
Mr. Rajesh Krishnamurthy	(v) Financial and Management skills.
Mr. Prashant Eknath Bramhankar #	(vi) Technical / Professional skills and specialised knowledge in relation to Company's business.

\* Except Forex Management.

# Mr. Prashant Eknath Bramhankar ceased to be a Whole-time Director & Chief Operating Officer w.e.f. November 9, 2023.

**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.

### III. Number of Shares held by Non-Executive Directors:

Number of shares held by Non-Executive Directors as on March 31, 2024, 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.

#### 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/Details-of-Familiarisation-Programme-FY-2023-24.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.

Effective from April 1, 2024, the Audit Committee was reconstituted, consequent to the expiry of second term of five years of Prof. K. Kumar, Prof. S. Rajagopalan and Mr. Rajiv Kuchhal, the Independent Directors of the Company. The reconstituted Audit Committee of the Company consist of the following members:

1. Mr. Narayanan Subramaniam, Chairman
2. Dr. Varadharajan Sridhar, Member
3. Ms. Lilian Jessie Paul, Member

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, 6 (six) Audit Committee Meetings were held as under:

SI No.	Date of Meeting	Physical/Video Conference
1	April 11, 2023	Video Conferencing
2	May 25, 2023	Video Conferencing
3	August 9, 2023	Video Conferencing
4	November 9, 2023	Video Conferencing
5	February 7, 2024	Physical
6	March 22, 2024	Video Conferencing

The composition of the Audit Committee as on March 31, 2024 and the details of meetings attended by its members are given below:

Name of the Director	Status	Number of meetings during the year 2023-24		
		Held	Held after appointment / before resignation	Attended
Prof. K. Kumar	Chairman	6	6	6
Prof. S. Rajagopalan	Member	6	6	5
Mr. Rajiv Kuchhal	Member	6	6	6

Prof. K. Kumar, Chairman of the Audit Committee attended the previous Annual General Meeting of the Company held on August 10, 2023.

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 and one Non-Executive Director.

Mr. Ralph Franz Gillessen (DIN: 05184138) has been appointed as a Member of Nomination and Remuneration Committee of the Company with effect from August 10, 2023, by the Board of Directors.

Effective from April 1, 2024, the Nomination and Remuneration Committee was reconstituted, consequent to the expiry of second term of five years of Prof. K. Kumar, Prof. S. Rajagopalan and Mr. Rajiv Kuchhal, the Independent Directors of the Company. The reconstituted Nomination and Remuneration Committee of the Company consist of the following members:

1. Dr. Varadharajan Sridhar, Chairman
2. Mr. Ralph Franz Gillessen, Member
3. Ms. Lilian Jessie Paul, Member
4. Mr. Narayanan Subramaniam, Member
5. Dr. Srivardhini Keshavamurthy Jha, Member

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, 6 (six) Nomination and Remuneration Committee Meetings were held as under:

SL No.	Date of Meeting	Physical/Video Conference
1	April 11, 2023	Video Conferencing
2	May 24 & 25, 2023	Video Conferencing
3	August 9, 2023	Video Conferencing
4	November 8, 2023	Video Conferencing
5	February 6 & 7, 2024	Physical
6	March 22, 2024	Video Conferencing

The name of Chairman and Members of the Committee as on March 31, 2024 along with the meeting attendance is given in the below table:

Name of the Director	Status	Number of meetings during the year 2023-24		
		Held	Held after Appointment / before resignation	Attended
Prof. K. Kumar	Chairman	6	6	6
Prof. S. Rajagopalan	Member	6	6	5
Mr. Ralph Franz Gillessen	Member	6	3	3
Mr. Rajiv Kuchhal	Member	6	6	6
Ms. Lilian Jessie Paul	Member	6	6	5

### 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, 2024:

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	2.25	0.56	2.81
Ms. Lilian Jessie Paul	2.25	0.40	2.65
Prof. S. Rajagopalan	2.25	0.48	2.73
Mr. Rajiv Kuchhal	2.25	0.46	2.71
Mr. Ulrich Bäumer	2.25	0.08	2.33
Mr. Rajesh Krishnamurthy	Nil	Nil	Nil
Mr. Ralph Franz Gillessen	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, 2024, are as under:

Sl.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, 2024.

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 and Mr. Prashanth Eknath Bramhankar is paid as per the Service Agreement entered with them 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, Managing Director & CEO FY 2023-24	Mr. Prashanth Eknath Bramhankar, Whole-time Director & COO FY 2023-24 *
1	Gross Salary	14.74	7.01
2	Stock Options	-	-
3	Sweat Equity	-	-

(Rs. in Millions)

Sl. No.	Particulars of Remuneration	Mr. Balaji Viswanathan, Managing Director & CEO FY 2023-24	Mr. Prashanth Eknath Bramhankar, Whole-time Director & COO FY 2023-24 *
4	Commission	-	-
5	Others (Incentives)**	7.31	5.08
	<b>Total</b>	<b>22.05</b>	<b>12.09</b>

\* Mr. Prashant Eknath Bramhankar ceased to be a Whole-time Director and Chief Operating Officer (Key Managerial Personnel), w.e.f. November 09, 2023.

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

Other Incentives as mentioned in point 5 above include the performance-based incentives for the financial year 2023-24. These were based on the achievement of a set of parameters - both quantitative as well as qualitative and achievement of milestones 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 three 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.

The agreement with the Whole-time Director and Chief Operating Officer (Key Managerial Personnel) has been entered into for a period of three years, effective from the date of appointment. Further, either party to the agreement is entitled to terminate the Agreement by giving not less than three months' notice in writing to the other party or by prior approval of the Board of Directors. Mr. Prashant Eknath Bramhankar ceased to be a Whole-time Director and Chief Operating Officer (Key Managerial Personnel), w.e.f. November 09, 2023.

## 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 and 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 24 & 25, 2023	Video Conferencing
2	August 9, 2023	Video Conferencing
3	November 8, 2023	Video Conferencing
4	February 6 & 7, 2024	Physical

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

Effective from April 1, 2024, the Stakeholders' Relationship Committee was reconstituted, consequent to the expiry of second term of five years of Prof. K. Kumar and Prof. S. Rajagopalan the Independent Directors of the Company. The reconstituted Stakeholders' Relationship Committee of the Company consists of the following members:

1. Dr. Varadharajan Sridhar, Chairman
2. Mr. Narayanan Subramaniam, Member
3. Ms. Lilian Jessie Paul, Member
4. Mr. Balaji Viswanathan, Member

The composition of the Stakeholders' Relationship Committee as on March 31, 2024 along with the meeting attendance is given in the below table:

The Chairman of the Stakeholders' Relationship Committee was present at the 25<sup>th</sup> Annual General Meeting to answer the Shareholders' queries.

Name of the Director	Status	Number of meetings during the year 2023-24	
		Held	Attended
Prof. S. Rajagopalan	Chairman	4	3
Prof. K. Kumar	Member	4	4
Ms. Lilian Jessie Paul	Member	4	3

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, 2024	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.

SL No.	Date of Meeting	Physical/Video Conference
1	May 2, 2023	Video Conferencing
2	July 25, 2023	Video Conferencing
3	October 20, 2023	Video Conferencing
4	January 25, 2024	Video Conferencing

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

Effective from April 01, 2024, the Corporate Social Responsibility Committee was reconstituted, consequent to the expiry of second term of five years of Prof. K. Kumar and Prof. S. Rajagopalan, the Independent Directors of the Company. The reconstituted Corporate Social Responsibility Committee of the Company consists of the following members:

1. Ms. Lilian Jessie Paul, Chairperson
2. Dr. Srivardhini Keshavamurthy Jha, Member
3. Dr. Varadharajan Sridhar, Member
4. Mr. Balaji Viswanathan, Member

The composition of the Corporate Social Responsibility Committee as on March 31, 2024 along with the meeting attendance is given in the below table:

Name of the Director	Status	Number of meetings during the year 2023-24	
		Held	Attended
Prof. S. Rajagopalan	Chairman	4	4
Prof. K. Kumar	Member	4	4
Ms. Lilian Jessie Paul	Member	4	2

## 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.

Effective from April 01, 2024, the Risk Management Committee was reconstituted, consequent to the expiry of second term of five years of Mr. Rajiv Kuchhal, the Independent Directors of the Company. The reconstituted Risk Management Committee of the Company consist of the following members:

1. Mr. Narayanan Subramaniam, Chairman
2. Mr. Balaji Viswanathan, Member
3. Ms. Lilian Jessie Paul, Member

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.

SL No.	Date of Meeting	Physical/Video Conference
1	May 23, 2023	Video Conferencing
2	October 30, 2023	Video Conferencing
3	March 22, 2024	Video Conferencing

Name of the Director	Status	Number of meetings during the year 2023–24		
		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 6, 2024, 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.

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 2023-24		
		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	1
Mr. Rajiv Kuchhal	Independent Director	1	1	1
Mr. Ulrich Baumer	Independent Director	1	1	1

In the meeting held on February 6, 2024, the Independent Directors have,

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- 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 its 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 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).
Annual General Meeting 2022-23	August 10, 2023	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:

During the financial year – 2023-24, there were 2 (two) Postal Ballots conducted by the Company.

#### (A) Following items were approved by the Shareholders through e-voting vide Postal Ballot dated June 21, 2023:

Appointment of Mr. Prashant Eknath Bramhankar (DIN: 07439819) as Whole-time Director & Chief Operating Officer (Key Managerial Personnel) of the Company.

Mr. V. Suresh, Senior Partner, (Membership No. FCS 2969 and CP No.6032) Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below :

Resolution passed through postal ballot	Votes in favour of the resolution			Votes against the resolution			Invalid/Abstain votes	
	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid/ Abstain	Total number of invalid/ Abstain votes cast (Shares)
Appointment of Mr. Prashant Eknath Bramhankar (DIN: 07439819) as Whole-time Director & Chief Operating Officer (Key Managerial Personnel) of the Company	90	62,10,560	98.89	4	69,995	1.11	-	-

**(B) Following items were approved by the Shareholders through e-voting vide Postal Ballot dated March 21, 2024:**

- (i) Appointment of Mr. Narayanan Subramaniam - (DIN: 00166621) as an Independent Director (Non-Executive) of the Company.
- (ii) Appointment of Dr. Srivardhini Keshavamurthy Jha - (DIN: 06373409) as an Independent Director (Non-Executive) of the Company.
- (iii) Appointment of Dr. Varadharajan Sridhar - (DIN: 00082156) as an Independent Director (Non-Executive) of the Company.
- (iv) Payment of remuneration to Directors other than Managing Director or Whole-time Director.

Mr. V. Suresh, Senior Partner, (Membership No. FCS 2969 and CP No.6032) Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Resolution passed through postal ballot	Votes in favour of the resolution			Votes against the resolution			Invalid/Abstain voting	
	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid/ Abstain from voting	Total number of invalid/ votes cast / Abstain from voting (Shares)
Appointment of Mr. Narayanan Subramaniam - (DIN: 00166621) as an Independent Director (Non-Executive) of the Company	118	1,11,74,319	99.83	10	19,442	0.17	2	752
Appointment of Dr. Srivardhini Keshavamurthy Jha - (DIN: 06373409) as an Independent Director (Non-Executive) of the Company	121	1,11,93,250	99.99	7	511	0.01	2	752
Appointment of Dr. Varadharajan Sridhar - (DIN: 00082156) as an Independent Director (Non-Executive) of the Company.	120	1,11,93,244	99.99	8	517	0.01	2	752
Payment of remuneration to Directors other than Managing Director or Whole-time Director.	114	1,11,90,625	99.97	15	3,138	0.03	-	-

**Procedure for postal ballot:**

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, respectively issued by the Ministry of Corporate Affairs.

**IV. Details of special resolution proposed to be transacted through postal ballot:**

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

**V. Special Resolutions in the last three Annual General Meetings:**

**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**

**25<sup>th</sup> Annual General Meeting for the financial year 2022-23 held on August 10, 2023**

Change of Object Clause of the Memorandum of Association of the Company.

**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:**

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

Date and Time: August 29, 2024, at 11.00 a.m., IST

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 2024–25:

First Quarter Results	On or before August 14, 2024
Half Yearly Results	On or before November 14, 2024
Third Quarter Results	On or before February 14, 2025
Fourth Quarter and Annual Results	On or before May 30, 2025



**III. Date of book closure:**

August 23, 2024, to August 29, 2024 (both days inclusive)

**IV. Dividend payment date: Nil**

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

1,55,19,739 equity shares of Rs. 10/- each is listed at:

Name of the Stock Exchange	Stock Symbol / Scrip Code
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 2023–24 to both the above Stock Exchanges.

**VI. Market price data:**

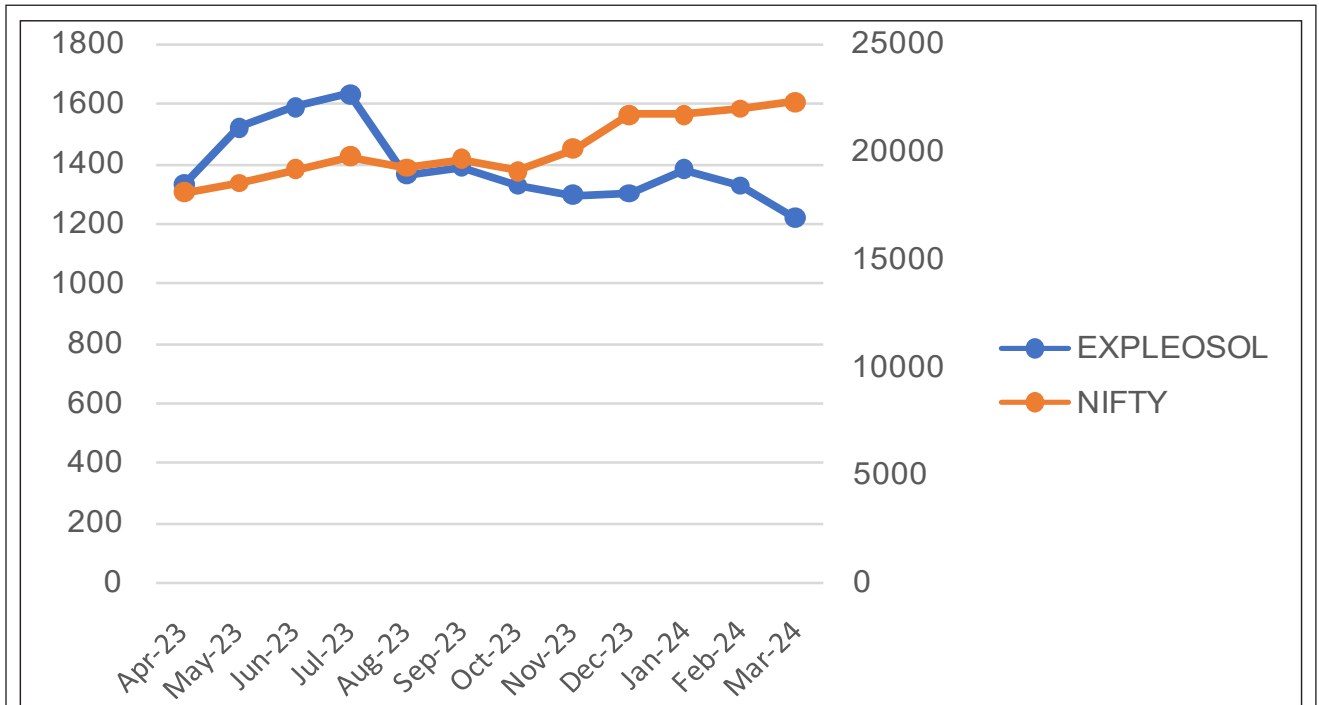
The closing market price of equity shares on March 31, 2024 (last trading day of the year) was Rs. 1,213.45 on NSE and Rs. 1,212.65 on BSE.

**VII. Monthly share price movement during 2023–24 at NSE & BSE:**

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

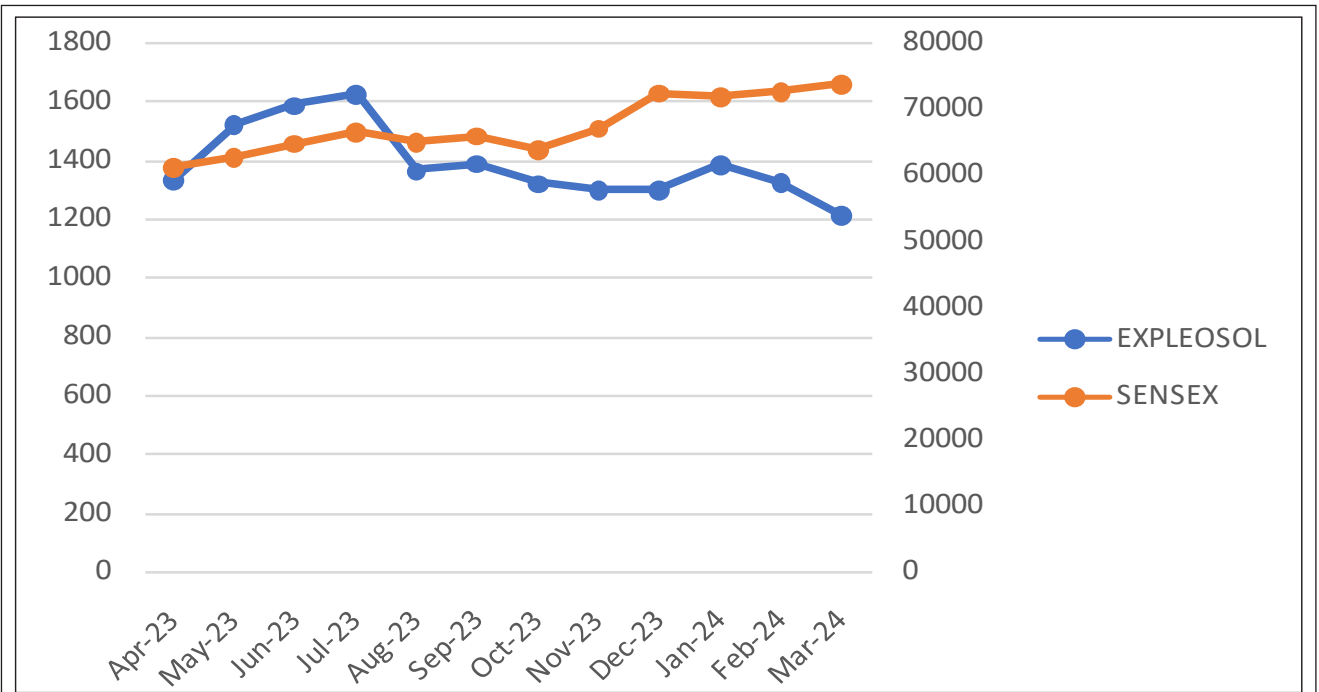
Month	NSE			BSE		
	High (Rs.)	Low (Rs.)	Volume	High (Rs.)	Low (Rs.)	Volume
April, 2023	1,399.00	1,228.05	2,66,633	1,399.95	1,111.30	26,597
May, 2023	1,568.80	1,312.30	7,95,083	1,563.85	1,307.25	74,267
June, 2023	1,719.80	1,485.00	8,90,009	1,719.00	1,380.00	1,23,122
July, 2023	1,689.80	1,513.55	5,44,060	1,700.00	1,460.00	70,140
August, 2023	1,777.20	1,327.05	11,43,738	1,771.00	1,330.35	1,26,130
September, 2023	1,479.00	1,350.05	5,40,641	1,484.50	1,348.90	55,662
October, 2023	1,401.40	1,288.00	4,29,283	1,432.95	1,279.00	34,057
November, 2023	1,390.00	1,216.15	5,85,645	1,375.00	1,220.00	48,738
December, 2023	1,385.00	1,252.00	5,73,709	1,384.00	1,250.00	51,020
January, 2024	1,455.00	1,285.00	7,64,638	1,449.00	1,285.85	60,505
February, 2024	1,523.65	1,295.45	9,49,679	1,524.55	1,297.85	78,324
March, 2024	1,379.00	1,198.20	4,46,049	1,398.95	1,201.50	33,360
<b>TOTAL</b>			<b>79,29,167</b>			<b>7,81,922</b>

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



	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
<b>EXPLEOSOL</b>	1328.25	1520.00	1589.25	1632.95	1362.90	1387.95	1323.05	1294.60	1298.95	1379.45	1322.00	1213.45
<b>NIFTY</b>	18065.00	18534.40	19189.05	19753.80	19253.80	19638.30	19079.60	20133.15	21731.40	21725.70	21982.80	22326.90

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



	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
<b>EXPLEOSOL</b>	1331.50	1519.55	1587.40	1626.10	1364.25	1388.50	1320.40	1297.05	1297.25	1385.80	1323.50	1212.65
<b>SENSEX</b>	61112.44	62622.24	64718.56	66527.67	64831.41	65828.41	63874.93	66988.44	72240.26	71752.11	72500.30	73651.35

### X. Registrar and Share Transfer Agents:

The Registrar and 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 and 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
Telephone	+91 44 2846 0390 / 44 4002 0700
E-mail ID	<a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a>
Website	<a href="http://www.cameoindia.com/">http://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, 2024:

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	29,160	96.30	15,71,114	1,57,11,140	10.12
5001-10000	600	1.98	4,43,558	44,35,580	2.86
10001-20000	266	0.88	3,81,230	38,12,300	2.46
20001-30000	92	0.30	2,27,904	22,79,040	1.47
30001-40000	47	0.16	1,67,943	16,79,430	1.08
40001-50000	31	0.10	1,40,095	14,00,950	0.90
50001-100000	43	0.14	3,04,898	30,48,980	1.96
100001 and Above	42	0.14	1,22,82,997	12,28,29,970	79.14
<b>Total</b>	<b>30,281</b>	<b>100.00</b>	<b>1,55,19,739</b>	<b>15,51,97,390</b>	<b>100.00</b>

### Shareholding Pattern as on March 31, 2024:

SI. No	Category	Number of Shares	% of holding
1	Promoters	1,10,26,058	71.05
2	Clearing Members	78	0.00
3	Bodies Corporate	4,06,360	2.62
4	Non-Resident Indians	2,15,181	1.39
5	Public and Others	38,72,062	24.95
	<b>Total</b>	<b>1,55,19,739</b>	<b>100.00%</b>

### XIII. Dematerialisation of securities and liquidity:

As on March 31, 2024, 1,55,19,739 shares of the Company were held in dematerialised 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 2023-24, an amount of Rs. 3,79,320/- which was lying in the Final Dividend 2015-16 account and an amount of Rs.1,07,368/- which was lying in the Interim Dividend 2016-17 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	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
Final Dividend	2022-23	10-Aug-23	15-Sep-30

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, 2024 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 2023-24 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 -	Nil
b. number of complaints disposed off during the financial year -	Nil
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, 2024	For the year ended March 31, 2023
Interest on loan given	Entities under common control	Expleo Services SASU, France	4,10,25,288	2,11,73,482

Particulars	Nature of Relationship	Name of the Related party	As on March 31, 2024	As on March 31, 2023
Outstanding Balance of Loan Given	Entities under common control	Expleo Services SASU, France	47,19,55,927	46,61,12,066
Interest Receivable on Loan	Entities under common control	Expleo Services SASU, France	2,13,19,114	93,33,470

**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. 7,335,000/-. The figure mentioned excludes out of pocket expenses amounting Rs. 500,000/-.

A certificate has been received from S.A.E & Associates LLP, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Pursuant to Clause 5A to Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of Subsisting Agreements as on July 13, 2023 and New Agreement as entered into during the Financial Year 2023-24 are mentioned below:

1. French law financial securities account pledge agreements entered into by French entity Expleo Group (indirect shareholder of the listed entity) as pledgor and Société Générale as security agent

over the securities account Expleo Group holds in the books of French entity Expleo Services (indirect shareholder of the listed entity) and related statements of pledges.

- i) First ranking pledge dated 28 September 2017
- ii) Second ranking pledge dated 14 December 2017
- iii) Third ranking pledge dated 20 March 2018
- iv) Fourth ranking pledge dated 17 March 2023

**Agreement entered during Financial Year 2023-24:**

- i) Fifth ranking pledge dated 26 July 2023 (Amendment)
2. French law financial securities account pledge agreements entered into by French entity Expleo Services (indirect shareholder of the listed entity) as pledgor and Société Générale as security agent over the securities account Expleo Services holds in the books of French entity Expleo (indirect shareholder of the listed entity) and related statements of pledges:
- i) First ranking pledge dated 28 September 2017
  - ii) Second ranking pledge dated 14 December 2017
  - iii) Third ranking pledge dated 20 March 2018
  - iv) Fourth ranking pledge dated 17 March 2023

**Agreement entered during Financial Year 2023-24:**

- i) Fifth ranking pledge dated 26 July 2023(Amendment)
3. Dutch law deed of pledge of shares of Dutch entity Expleo Germany Holding BV (indirect shareholder of the listed entity) dated 19 July 2022 by French entity Expleo (indirect shareholder of the listed entity) as pledgor, Expleo Germany Holding BV as pledged company and Société Générale as pledgee.
4. German law share pledge agreement dated 7 June 2019 by, inter alios, Expleo Germany Holding (indirect shareholder of the listed entity) as pledgor, German entity Expleo Technology Germany GmbH (one of the direct shareholders of the listed entity) as pledged company and Société Générale as security agent in respect of the shares of Expleo Technology Germany GmbH.

**Agreement entered during Financial Year 2023-24:**

- i) Amendment and restatement agreement dated 27 July 2023

The details of the agreement are uploaded on the Company’s website in the following web-link:  
<https://investors.expleo.com/corporate-governance/>

**Senior Management Personnel**

<b>At the beginning of the FY (01.04.2023)</b>	<b>At the end of the FY (31.03.2024)</b>
Mr. Srinivasa Phani Tangirala	Mr. Srinivasa Phani Tangirala
	Mr. Prasad Govind Satkar *
	Mr. Rajesh Kumaraswamy*

During the FY 2023-24, Mr. Prasad Govind Satkar, Head of Solutions and Delivery (Engineering Services, India) and Mr. Rajesh Kumaraswamy, Senior Director – Head of Human Resources were appointed as Senior Management Personnel of the Company.

**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, 2024, 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, 2024.
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**

**Avinash A. Rao**

**PARTNER**

**Membership Number: 602312**

**UDIN : 24602312BKFBAU7575**

**Place:** Chennai

**Date:** June 14, 2024

## 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 – 600096**

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 – 600096 (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 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>
- (iii) The list of entities debarred by SEBI as published by National Stock Exchange of India Limited in their weblink <https://www.nseindia.com/regulations/member-sebi-debarred-entities>

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 and 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 2024 and date of this report 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-September-2018 (re-appointed with effect from 01-September-2021)
2	Mr. Kothandaraman Kumar	02343860	17-September-2008 (completed his tenure on 31-March-2024)
3	Ms. Lilian Jessie Paul	02864506	30-October-2014 (re-appointed with effect from 30-October-2019)
4	Mr. Rajesh Krishnamurthy	08288884	01-September-2020 (appointed as Non-Executive Director with effect from 26-August-2021)
5	Mr. Rajiv Kuchhal	02257381	21-September-2011 (completed his tenure on 31-March-2024)
6	Mr. Ralph Gillessen	05184138	09-August-2018

Sl. No	Name of Director	DIN	Date of appointment / re-appointment in the Company
7	Mr. Santhanagopalan Rajagopalan	01584674	17-September-2008 (completed his tenure on 31-March-2024)
8	Mr. Ulrich Josef Paul Baumer	06763831	27-December-2013 (completed his tenure on 31-March-2024)
9	Ms. Srivardhini Keshavamurthy Jha	06373409	01-April-2024*
10	Mr. Narayanan Subramaniam	00166621	01-April-2024*
11	Mr. Varadharajan Sridhar	00082156	01-April-2024*

\* Appointed as Non-Executive Independent Director, w.e.f. 1st April 2024 through postal ballot resolution passed on 21<sup>st</sup> March 2024.

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: F011114F000587382**  
**(generated on 18-June-2024)**

**Place:** Chennai

**Date:** June 14, 2024

## CEO & CFO CERTIFICATION

**We, Balaji Viswanathan, Managing Director & Chief Executive Officer and Periakaruppan Palaniappan, 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, 2024 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, 2024 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 23, 2024

**Balaji Viswanathan**

Managing Director & CEO

**Periakaruppan Palaniappan**

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, 2024, 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, 2024.

**Place:** Chennai

**Date :** May 23, 2024

**Balaji Viswanathan**

Managing Director and CEO

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2023-24

### Section A: General Disclosures

#### I. Details of the listed entity

S. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Company	L64202TN1998PLC066604
2	Name of the Company	<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 office address	6A, Sixth Floor, Prince Infocity II, No. 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai - 600 096
6	E-mail id	cosec.expleosol@expleogroup.com
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	2023-24
10	Name of the Stock Exchange (s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11	Paid-up capital	INR 15,51,97,390/-
12	Name and contact details of the person who may be contacted incase of any queries on the BRSR report	Name : Balaji Viswanathan, Managing Director & CEO Telephone : +91 44 4392 3200 Email ID : balaji.viswanathan@expleogroup.com Name: S. Sampath Kumar, Company Secretary & Compliance Officer Telephone: +91 44 4392 3200 Email ID: sampathkumar.seshadri@expleogroup.com
13	Reporting Boundary	Consolidated basis
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

#### II. Products/services

##### 16. Details of business activities (accounting for 90% of the turnover):

S.No	Description of main activity	Description of business activity	% Of turnover
1.	Information and Communication	Computer Programming, Consultancy and Related Activities	100%

**17. Products / services sold by the entity (accounting for 90% of the entity's turnover):**

S. No.	Product/Service	NIC Code	% Of total turnover contributed
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**

**18. Number of locations where plants and / or operations / offices of the entity are situated**

Location	Number of plants	Number of offices	Total
National	0	5	5
International	0	10*	10

\*Note:- Expleo Solutions FZE, UAE is in the process of closure

Expleo Technologies India Private Limited – Israel Branch is in the process of closure.

Expleo Solutions Limited – Israel Branch incorporated on February 28, 2024

**19. Markets served by the entity**

**a. Number of locations**

Locations	Number
National (No. of states)	9
International (No. of countries)	38

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

78.91%

**c. A brief on types of customers**

Expleo Solutions Limited serves corporate clients across 14 industries, including BFSI, NBFC, and enterprise business to deliver engineering and quality assurance services. Expleo supports leading manufacturers and operators in the automotive, aerospace, railway, defense, energy, banking, and insurance industries to obtain the highest satisfaction of their end customers.

**IV. Employees**

**20. Details as on March 31, 2024**

**a. Employees and workers (including differently abled)**

S. No.	Particulars	Total(A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>EMPLOYEES</b>						
1	Permanent (D)	4291	2910	68%	1381	32%
2	Other than Permanent (E)	221	151	68%	70	32%
3	Total employees (D+E)	4512	3061	68%	1451	32%
<b>WORKERS</b>						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total workers (F+G)	0	0	0	0	0



**b. Differently abled employees and workers**

S. No.	Particulars	Total(A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	10	8	80%	2	20%
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D+E)	10	8	80%	2	20%
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total differently abled workers (F+G)	0	0	0	0	0

**21. Participation / inclusion / representation of women**

	Total(A)	No. and percentage of females	
		No.(B)	%(B/A)
Board of Directors	8	1	13%
Key Management Personnel	3	0	0%

Note : Key Management Personnel does not include the Board of Directors.

**22. Turnover rate for permanent employees and workers**

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25%	22%	24%	37%	29%	34%	36%	38%	36%
Permanent Workers	0%	0%	0%	0%	0%	0%	0%	0%	0%

**V. Holding, subsidiary and associate companies (including joint ventures)**

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

S. No.	Name of Holding/Subsidiary/ Associate Companies/Joint Venture (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% Of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of 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
6	Expleo Solutions LLC, Dubai @	Subsidiary	100%	Yes

\*Expleo Solutions FZE, UAE is in the process of closure.

@ Expleo Solutions LLC, Dubai, a Wholly Owned Subsidiary of Expleo Solutions Limited, which got incorporated and registered on 29.11.2023.

**VI. CSR Details**

- 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes
- (ii) Turnover (in Rs.) 9,648,698,766
- (iii) Networth (in Rs.) 6,111,514,122

**VII. Transparency and Disclosures Compliances**

**25. Complaints / grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)**

Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct							
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24			FY 2022-23		
		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	1	0	0
Employees and workers	Yes**	3	0	0	2	0	0
Customers	Yes	0	0	0	13	0	0
Value Chain Partners	No	0	0	0	0	0	0
Other (please specify)	No	0	0	0	0	0	0

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

**26. 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, as per the following format:

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk / opportunity</b>	<b>In case of risk, approach to adapt or mitigate.</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
1	Occupational Health and Safety	Opportunity	Expleo identified the work environment as a material topic considering both the emotional and physical aspects of our employees. Good workspaces, wellness spaces, etc., are integral parts of our offices. We ensure that our offices are designed and planned to ensure the comfort of our employees. We have clear policies and processes to prevent any discrimination and harassment in our workplaces. These are communicated regularly, and employees are encouraged to report on any incidences. Independent investigation of incidents is also ensured.	Not Applicable	Positive

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk / opportunity</b>	<b>In case of risk, approach to adapt or mitigate.</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
2	Customer relationship and engagement	Risk	As an engineering technology, and consulting provider, Expleo is uniquely positioned to assist its clients to innovate through advanced technology and digitalization while being responsible and respectful in its usage. Expleo already works with clients on several sustainable solutions.	Expleo believes that any opportunity not capitalized is a risk. Therefore, we endeavor to identify opportunities related to sustainability and create the appropriate sustainability-related solution for our clients.	Negative
3	Corporate Governance	Risk	Governance and Ethics are the foundations of Expleo culture. We structure our governance to permeate ethical conduct throughout the organization. Our strong governance and ethical culture help our viability over the long term. The regulation around governance is tightening as more requirements around accountability, transparency and fairness are becoming commonplace. We are focused on both current and future regulation to ensure we are fully prepared for any change.	Expleo has stipulated policies, processes, and systems to ensure ethical conduct and strong governance.  The whistle-blowing policy and various other reporting channels help to identify any challenges that need to be corrected. The Board also reviews this periodically through the Risk Management Committee.	Negative

S. 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 (Indicate positive or negative implications)
4	Emissions Management	Opportunity	<p>Emissions management is an opportunity for Expleo to improve process efficiency while minimizing environmental damage. Expleo has implemented various energy efficiency initiatives to reduce energy consumption, water consumption and waste minimization. Water and waste can also be linked to social license to operate in the communities we operate.</p> <p>Our constant practice in compliance with environmental regulations / requirements, carbon footprint reduction expectations etc. help combatting associated challenges.</p>	Not Applicable	Positive
5	Cybersecurity and data privacy	Risk	<p>Risks of cyber-attacks are on the rise due to the fast-evolving nature of the threat. There is also an increased risk due to various pandemic themed cyber threats and attacks due to geo-political drivers. In addition to</p>	<ul style="list-style-type: none"> <li>• Use of advanced tools based on AI/ ML to prevent and detect incursions with quarantine capabilities, including perimeter security controls with advanced tools, enhanced internal vulnerability detection, data leak prevention</li> </ul>	Negative.

S. 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 (Indicate positive or negative implications)
			<p>impact on business operations, a security breach could result in reputational damage, penalties and legal and financial liabilities.</p>	<p>tools, defined and tested incident management and recovery process in compliance with industry best practices.</p> <ul style="list-style-type: none"> <li>• Continued reinforcement of stringent security policies and procedures (certified against ISO 27001) including enhanced security measures and awareness building to combat phishing attempts and soliciting for fraudulent causes or charities through social media, text or calls.</li> <li>• Enterprise-wide training and awareness programs on Information Security including the extensively used enterprise-wide communication and collaboration platforms accessed through mobile or desktop channels.</li> <li>• Strict access controls including non-persistent passwords (OTP) for secure access to enterprise applications/network, special handling of privileged administrator accounts, rigorous access management on all cloud deployment.</li> </ul>	

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk / opportunity</b>	<b>In case of risk, approach to adapt or mitigate.</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
				<ul style="list-style-type: none"> <li>• Encryption of data, data back-up and recovery mechanisms for ensuring business continuity.</li> </ul>	
6	Diversity, Equity, and Inclusion (DEI)	Opportunity	<p>To maintain our innovative culture, we recognize the importance of diversity in thought, ideas, and perspectives. There is ample evidence to showcase that DEI creates stronger bonds among individuals and has a positive impact on creativity, problem-solving and overall organizational success and, hence forming a stronger organization.</p> <p>Expleo will dovetail clear policies, processes, and governance structures to monitor the performance of our DEI strategy.</p> <p>Goals and targets are identified and integrated into the performance evaluation of leaders.</p>	Not applicable	Positive

S. 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 (Indicate positive or negative implications)
7	Economic Performance	Risk	<ul style="list-style-type: none"> <li>• Persistent high inflation in major economies could affect consumer spending and fuel social unrest.</li> <li>• Repeated interest rate hikes by central banks to rein in the inflation could result in economic slowdowns.</li> <li>• Continuing turmoil in the financial sector could affect not only spending in that sector, but also squeeze liquidity.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor changing geopolitical scenarios, the potential business implications and strengthen internal controls to further safeguard against secondary risks.</li> <li>• Render customer services and offerings including advisory services, migration and modernization of applications and workplace transformation using location independent agile, deep contextual knowledge and data-driven analytics and dashboard.</li> <li>• Where customer's discretionary budgets are uncertain, focus on cost and optimization propositions in the short term to improve their business efficiency.</li> <li>• Proactively invest in infrastructure and resourcing to satisfy anticipated customer demand for flexible products and subscription-based services to gain market share and new clients and markets.</li> </ul>	Negative.



S. 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 (Indicate positive or negative implications)
				<ul style="list-style-type: none"> <li>• Enter into more long-term contracts.</li> <li>• Leverage business ecosystem through collaboration with partners, start-ups and alliances to participate in transformation initiatives of customers.</li> </ul>	
8	Human resource engagement and development	Risk	<p>We require constant upskilling and reskilling of our employees to ensure we deliver top services to our clients. As the digital technology space is expanding there is a war for talent and improving our existing human capital will be critical. Few risks outlined are:</p> <ul style="list-style-type: none"> <li>• The company's ability to attract, develop, motivate, and retain talent is critical to its business success.</li> <li>• Talent scarcity can lead to poaching of the company's employees and result in higher attrition. This can disrupt ongoing projects, slow down planned ramp ups and affect revenue growth.</li> </ul>	<ul style="list-style-type: none"> <li>• Expleo has a clear institutional mechanism to map future skillset requirements and has programs for upskilling and reskilling employees. There are measurements used to gauge the performance of the initiative, which are reviewed periodically.</li> <li>• Focused employee engagement to reduce attrition, increase sense of belonging and build capability to capture the demand from the market.</li> <li>• Reduce talent acquisition cycle time to improve joining rates through innovative practices.</li> </ul>	Negative

S. 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 (Indicate positive or negative implications)
			<ul style="list-style-type: none"> <li>Inability to scale up experienced professionals with niche digital skills from the market, can also impact Expleo's ability to grow</li> </ul>		
9	Supply Chain Sustainability	Opportunity	<p>Through sustainable procurement, Expleo capitalizes on value creating opportunities like responsible sourcing, collaboration with upstream and downstream partners and improving supply chain governance. A sustainable supply chain also helps de-risk the supply chain because some of the ESG-related risks can create business continuity issues.</p> <p>The procurement policy is integrated with sustainability requirements. We will introduce due-diligence process for onboarding new vendors along with evaluation of the supply chain in terms of competitiveness, compliance check etc. on periodic basis.</p>		Positive

S. 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 (Indicate positive or negative implications)
10	Community Engagement	Opportunity	It is our firm belief we are fully performing “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.	NA	Positive

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURE**

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

**The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:**

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>POLICY AND MANAGEMENT PROCESSES</b>									
<b>1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>b. Has the policy been approved by the Board? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>c. Web link of the policies, if available</b>	<p>1. Whistle Blower Policy</p> <p>2. Code of Conduct for BoD</p> <p>3. Code of Conduct</p> <p>4. Charter and covenants policy</p> <p>5. Supplier Code of Conduct</p>	<p>1. Policy for Asset Management</p> <p>2. Procedure for Disposal of Information and Media</p> <p>3. Supplier Code of Conduct</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. Whistle Blower Policy</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>1. Policy on Corporate Social Responsibility</p> <p>2. Policy on Prevention of Sexual Harassment</p> <p>3. Whistle Blower Policy</p> <p>4. Code of Conduct for BoD</p> <p>5. Code of Conduct</p> <p>6. Policy on Ethical Employment</p>	<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>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</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</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</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><b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b></p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>
<p><b>3. Do the enlisted policies extend to your value chain partners? (Yes/ No)</b></p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</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>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>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>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>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>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>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>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>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>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><b>4. Name of international codes/certifications/labels/standards</b></p>	<p>SSAE 18/ ISAE 3402</p>	<p>No</p>	<p>No</p>	<p>ISO 9001: 2015</p>	<p>No</p>	<p>No</p>	<p>No</p>	<p>No</p>	<p>PCI DSS, ISO 27001:2013</p>
<p><b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any</b></p>	<p>-Conducting Fire and Emergency Preparedness Training -Enable everyone at Expleo to identify unethical situation and improve our ability to assess and prevent from corruption risks.</p>	<p>Planning and budgeting CAPEX items for facility maintenance and advancements as required</p>	<p>-Practicing occupational Health and Safety environment -Fair wages are paid and there is no discrimination between Male and Female employees. Performance based pay.</p>	<p>Ensure that query raised by the employees are handled diligently, timely responded and appropriately closed.</p>	<p>No</p>	<p>-Measuring and Monitoring Power and Fuel consumption -Sensor lightings for workstations and meeting rooms -Live plants within premises -Achieve Net-Zero Greenhouse Gas Emissions across the value chain by 2030, in accordance with the Science Based Targets initiative (SBTi) methodology, the United Nations Global Compact and the Paris Agreement (1.5°C-aligned pathway) -Reduce Scope 1+2+3 emissions 50 % by 2025, specifically by:</p>	<p>No</p>	<p>No</p>	<p>No</p>



**GOVERNANCE, LEADERSHIP AND OVERSIGHT**

**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).**

Expleo Solutions Limited (ESL) is committed to being a sustainable and socially responsible business. For FY 2023-24, we are disclosing our sustainability performance through the BRSR.

Sustainability, for us, is not an annual goal but something we imbibe in our way of doing business. It's a commitment that we take seriously and is deeply ingrained in our culture. Following the "Innovate sustainably, grow responsibly" ethos, both our Internal teams and in the work, we do for our clients are finding different ways to reduce, re-cycle and reuse. Expleo's Facilities & Administration teams earned the prestigious industry INFHRA Workplace Excellence Award and FMG Awards, respectively. With ESG initiatives like treating 20 lakh cubic litres of wastewater annually, switching to energy-efficient lighting, reducing waste by eliminating paper cups, towels, and plastic bottles, installing high-speed hand dryers, and smart space utilisation to create more work areas, we are creating safer, cleaner, and greener workplaces. We are committed to replicating these successes across all our branches and business practices, ensuring sustainability and innovation remain at the heart of everything we do, now and in the future.

Balaji Viswanathan, MD & CEO, Expleo Solutions Limited

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy	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

**10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the company:**

Subject Review for	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Performance against above policies &amp; follow up action</b>	Mr. Balaji Viswanathan, Managing Director & CEO									Annually								
<b>Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</b>	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, AS 9100, TISAX 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. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)	NA								
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 audits impact	% of persons in respective category covered by the awareness programmes*
Board of Directors	6	Code of Conduct, Basics of Competition Law, Introduction to Data Protection, Information Security, OSS & AI and Leadership Skills. Principle 1,3, and 5	37.50%
Key Managerial Personnel (KMP)	6	Code of Conduct, Basics of Competition Law, Introduction to Data Protection, Information Security, OSS & AI and Leadership Skills. Principle 1,3, and 5	100.00%

Segment	Total number of training and awareness programmes held*	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes*
Employees other than BoD and KMPs	2734	Code of Conduct, Basics of Competition Law, Introduction to Data Protection, Information Security, OSS & AI and Technical, Domain, and Soft Skills, Principle 1,3, and 5	87.00%
Workers	NA	NA	NA

**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 the regulatory/ enforcement agencies/ judicial institution	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	0	NA	NA
Settlement	NA	NA	0	NA	NA
Compounding fee	NA	NA	0	NA	NA
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institution	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	-	-	-	-	
Punishment	-	-	-	-	

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

Case Details	Name of regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

**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 against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY2023-24	FY2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	-	-

**6. Details of complaints about conflict of interest.**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
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

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

No. of days of accounts payables	FY 2023-24	FY 2022-23
	42	104

**9. Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2022-23	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-

Parameter	Metrics	FY 2022-23	FY 2023-24
Concentration of sales	a. Sales to dealers/ distributors as % of total sales	-	-
	b. Number of dealers/distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.00%	0.00%
	b. Sales (Sales to related parties / Total Sales)	34.00%	26.00%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	91.00%	82.00%
	d. Investments (Investments in related parties / Total Investments made)	0.00%	0.00%

**PRINCIPLE 2 -BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**Essential Indicators**

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	Not Applicable	Not Applicable	
Capex	0.93%	0.30%	In FY 2023-24, capital expenditure was made towards energy efficient appliances such as lights and ACs to lower environmental impact. It also included expenses towards health and wellbeing of employees through fire resistant and ergonomical equipment's.

- 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

- b. If yes, what percentage of inputs were sourced sustainably?**

Percentage of inputs sourcing not available. 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.

- 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.**

Type of Waste	Name of Policy/ Process	Policy/ Process Description
Plastics (including packaging)	Since we are a service-based business, this is not applicable.	
E-waste		
Hazardous waste		
Other waste		

**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.**

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:**

<b>% Of employees covered by</b>											
<b>Category</b>	<b>Total (A)</b>	<b>Health insurance</b>		<b>Accident insurance</b>		<b>Maternity Benefits</b>		<b>Paternity benefits</b>		<b>Day care facilities</b>	
		<b>No. (B)</b>	<b>% (B/A)</b>	<b>No. (C)</b>	<b>% (C/A)</b>	<b>No. (D)</b>	<b>% (D/A)</b>	<b>No. (E)</b>	<b>% (E/A)</b>	<b>No. (F)</b>	<b>% (F/A)</b>
<b>Permanent Employees</b>											
Male	2910	2909	100%	2909	100%	0	0%	2909	100%	0	0%
Female	1381	1379	100%	1379	100%	1379	100%	0	0%	0	0%
<b>Total</b>	<b>4291</b>	<b>4288</b>	<b>100%</b>	<b>4288</b>	<b>100%</b>	<b>1379</b>	<b>32%</b>	<b>2909</b>	<b>68%</b>	<b>0</b>	<b>0%</b>
<b>Other Than Permanent Employees</b>											
Male	151	70	46%	151	100%	0	0%	0	0%	0	0%
Female	70	42	60%	68	97%	0	0%	0	0%	0	0%
<b>Total</b>	<b>221</b>	<b>112</b>	<b>51%</b>	<b>219</b>	<b>99%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

**Note:** Percentages are rounded off

**b. Details of measures for the well-being of workers:**

<b>% Of workers covered by</b>											
<b>Category</b>	<b>Total (A)</b>	<b>Health insurance</b>		<b>Accident insurance</b>		<b>Maternity Benefits</b>		<b>Paternity benefits</b>		<b>Day care facilities</b>	
		<b>No. (B)</b>	<b>% (B/A)</b>	<b>No. (C)</b>	<b>% (C/A)</b>	<b>No. (D)</b>	<b>% (D/A)</b>	<b>No. (E)</b>	<b>% (E/A)</b>	<b>No. (F)</b>	<b>% (F/A)</b>
<b>Permanent Employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Than Permanent Workers</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**c. Spend on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.8599%	1.0358%

Note: The data has been calculated on a standalone basis

**2. Details of retirement benefits for the current and previous financial year**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered (as a % of total employee)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	99.21%	Not Applicable	Yes	99.89%	Not Applicable	Yes
Gratuity	99.37%	Not Applicable	Yes	100%	Not Applicable	Yes
ESI	0.35%	Not Applicable	Yes	1.00%	Not Applicable	Yes
Others- Please Specify	-	-	-	-	-	-

**3. Accessibility of workplaces**

**Are the premises / offices accessible to differently abled employees 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.

**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.**

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.

**5. Return to work and retention rates of permanent employees that took parental leave.**

Gender	Permanent employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100 %	98.38%	0%	0%
Female	70.42%	94%	-	-
Total	91.83	97.46	0%	0%

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	<b>Yes/No (If Yes, then give details of the mechanism inbrief)</b>
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 – Grievance.HRIndia@expleogroup.com</li> <li>• Prevention of Sexual Harassment at workplace (POSH) reporting of complaints – POSH-India@expleogroup.com</li> <li>• Whistle Blower / Confidentiality ID Complaints - audit.committee@expleogroup.com</li> </ul>
Other than Permanent Employees	
Permanent Workers	Not Applicable
Other than Permanent Workers	

**7. Membership of employees in association(s) or unions recognised by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	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)
<b>Total Permanent Employees</b>						
Male	Not Applicable			Not Applicable		
Female						
<b>Total Permanent Workers</b>						
Male	Not Applicable			Not Applicable		
Female						

**8. Details of training given to employees and workers**

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
Male	3061	289	9%	2239	73%	2894	841	29%	2272	79%
Female	1451	193	13%	1158	80%	1419	357	25%	1114	79%
Total	4512	482	11%	3397	75%	4313	1198	28%	3386	79%

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<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%

### 9. Details of performance and career development reviews of employees and workers

Category	FY 2023-24			FY 2022-23		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
<b>Employees</b>						
Male	2910	2119	73%	2675	2000	75%
Female	1381	1088	79%	1314	1085	83%
Total	4291	3207	75%	3989	3085	77%
Note: The ESL conducts employee performance review for period ending November 2023, whereas the employee headcount reported in BRSR is for financial year end (31 <sup>st</sup> March, 2024).						
<b>Workers</b>						
Male	0	0	0%	0	0	0%
Female	0	0	0%	0	0	0%
Total	0	0	0%	0	0	0%

### 10. Health and Safety management system:

**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 with important devices such as BP machine, thermometer, ambulance services etc. 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. (Yes/No)**

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.



**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
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

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

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

**13. Number of complaints on working conditions and health and safety made by employees and workers**

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	No incidents reported in this category	0	0	-
Health & Safety	0	0		0	0	-

**14. Assessments for the year**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	0%
Working Conditions	100%

**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 and safety practices and working conditions.**

Not Applicable

**PRINCIPLE 4 - BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

Expleo understands that success is not just about financial performance. We recognize the importance of all our stakeholders, including employees, customers, investors, communities, and the environment. We actively engage with these stakeholders to understand their needs and concerns. We believe in open communication and collaboration, fostering a sense of shared purpose and ensuring that our actions align with the broader interests of society resulting in strong relationships and sustainable business practices.

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Investors are key stakeholders for the entity. We engage with them regularly and ensure timely communication of important information and 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.

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

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement	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

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
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

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
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**

Upholding human rights in all business activities is non-negotiable. At Expleo, we believe that respecting human rights is not just a legal obligation, but a fundamental responsibility. We are committed to upholding these rights throughout our operations. We have zero tolerance for discrimination of any kind, ensuring equal opportunity and fair treatment for all individuals. We have robust safety protocols in place and continuously invest in creating a secure work environment.

**Essential Indicator**

**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 2023-24			FY 2022-23		
	Total (A)	No. of Employees / Workers Covered (B)	% (B/A)	Total (C)	No. of Employees / Workers Covered (D)	% (D/C)
<b>Employees</b>						
Permanent	4291	4287	99.90%	3989	3989	100%
Other than Permanent	221	215	97%	324	316	98%
<b>Total Employees</b>	4512	4502	99.77%	4313	4305	100%
<b>Workers</b>						
Permanent	Not Applicable					
Other than Permanent						
<b>Total Workers</b>						

**2. Details of minimum wages paid to employees and workers:**

Category	FY 2023-24					FY 2022-23				
	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>										
<b>Permanent</b>										
Male	2910	0	0%	2910	100%	2675	0	0%	2675	100%
Female	1381	0	0%	1381	100%	1314	0	0%	1314	100%
<b>Non-permanent</b>										
Male	151	0	0%	151	100%	219	0	0%	219	100%
Female	70	0	0%	70	100%	105	0	0%	105	100%
<b>Workers</b>										
<b>Permanent</b>	Not Applicable									
Male										
Female										
<b>Non-permanent</b>										
Male										
Female										

Note: Other than permanent employees include Retainership or Consulting assignments and for fixed term period

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

**a. Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	1	22,395,912.00	-	-
KMP (other than BoD)	3	13,218,972.00	-	-
Employees other than BOD & KMP*	2906	854,416.00	1,381.00	750,000.00
Workers				

Note: Median is calculated based on the cost to the company (CTC) of permanent employees as at March 31, 2024

**b. Gross wages paid to females as % of total wages paid by the entity in the following format:**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	26.60%	26.00%

**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, Expleo-IndiaGrievanceCommittee@expleogroup.com.

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

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	2	0	-
Discrimination at workplace	2	0	-	0	0	-
Child Labour	Not Applicable	0	-	Not Applicable	0	-
Forced/Involuntary Labour	Not Applicable	0	-	Not Applicable	0	-
Wages	1	0	-	Not Applicable	0	-
Other human rights related issues	Not Applicable	0	-	Not Applicable	0	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	2
Complaints on POSH as a % of female employees / workers	0	0.14
Complaints on POSH upheld	0	0

**8. 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.

**9. 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 include a clause that all vendor personnel shall adhere to the policies and procedures of Expleo.

**10. Assessments for the year:**

	<b>% of offices that were assessed (by entity or statutory authorities or third parties)</b>
Childlabour	0%
Forced/ involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others–please specify	0%

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

Not Applicable

**PRINCIPLE 6 - BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

Expleo recognizes that we have a shared responsibility to protect the environment for future generations. We are committed to minimizing our environmental impact through sustainability practices. This includes implementing eco-friendly processes, reducing waste generation and adopting energy-efficient technologies throughout our operations. Environmental stewardship is essential for long-term sustainability.

**Essential Indicators**

**1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:**

<b>Parameter</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>
<b>From renewable sources</b>		
Total electricity consumption (in MJ) (A)	15,03,100.8	28,14,238.8
Total fuel consumption (in MJ) (B)	Not Applicable	Not Applicable
Energy consumption through other sources (in MJ) (C)	Not Applicable	Not Applicable
<b>Total energy consumed from renewable sources (A+B+C)</b>	15,03,100.8	28,14,238.8
<b>From non-renewable sources</b>		
Total electricity consumption (in MJ) (D)	82,69,124.22	74,70,567.97
Total fuel consumption (in MJ) (E)	6,05,320.91	8,13,826.93
Energy consumption through other sources (in MJ) (F)	0	16,75,857.60
<b>Total energy consumed from non-renewable sources (in MJ) (D+E+F)</b>	88,74,445.14	99,60,252.50
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>1,03,77,545.93</b>	<b>12,74,491.30</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	0.0011	0.0014

Parameter	FY 2023-24	FY 2022-23
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	0.0240920599*	0.0316783116
<b>Energy intensity in terms of physical output</b>		
<b>Energy intensity (optional)</b> – the relevant metric may be selected by the entity		--

\*The revenue from operations has been adjusted on the PPP conversion factor published in 2024 by IMF for India which is 22.4

**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 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Ground Water	4,459.24	2,742.00
(iii) Third Party Water	12,925.15	9,738.18
(iv) Seawater/Desalinated Water	0.00	0.00
(v) Others	0.00	0.00
<b>Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)</b>	17,384.39	12,480.18
<b>Total volume of water consumption (in kilolitres)</b>	17,384.39	12,480.18
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	0.00000180	0.00000138
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.0000403588*	0.0000309485
<b>Water intensity in terms of physical output</b>		
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity		--

\*The revenue from operations has been adjusted on the PPP conversion factor published in 2024 by IMF for India which is 22.4



**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. Provide the following details related to water discharged.**

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	17,384.39	12,480.18
- With treatment, please specify level of treatment		
(ii) To Groundwater	-	-
- No treatment		
- With treatment, please specify level of treatment		
(iii) To Seawater	-	-
- No treatment		
- With treatment, please specify level of treatment		
(iv) Sent to third parties	-	-
- No treatment		
- With treatment, please specify level of treatment		
(v) Others	-	-
-No treatment		
- With treatment, please specify level of treatment		
<b>Total water discharged in kilolitres</b>	<b>17,384.39</b>	<b>12,480.18</b>

**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

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

**Prince:** This location has a treated water plant that has been installed and maintained by Prince Builder. The facility holds a Leadership in Energy and Environmental Design (LEED) certificate, indicating a commitment to sustainable practices.

**Coimbatore:** A treated water plant is available at this location, maintained by India land Builder.

**Pune:** An STRP (Sewage Treatment and Recycling Plant) was installed in 2016. This location recycles approximately 3,036,000 liters of water, which is then used for gardening, as well as for the water closets (WC) and urinals

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Tonne	48.47	0.6384
Sox	Tonne	2.29	0.0413
Particulate matter (PM)	Tonne	0.87	0.0456

Parameter	Please specify unit	FY 2023-24	FY 2022-23
Persistent organic pollutants (POP)	Tonne	NA	NA
Volatile organic compounds (VOC)	Tonne	1.36	0.0100
Hazardous air pollutants (HAP)	Tonne	0.06	NA
Others- please specify (CO)	Tonne	12.88	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

**7. Provide details of green house gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG in to CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric Tonnes of CO <sub>2</sub> equivalent	36.87	162.76
<b>Total Scope 2 emissions</b> (Break-up of the GHG in to CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric Tonnes of CO <sub>2</sub> equivalent	1644.63	2147.89
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 emissions / Revenue from operations)	Metric Tonnes per INR	0.000000174	0.00000026
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0000039037*	0.0000057300
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>			
<b>Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity</b>	--		--

\*The revenue from operations has been adjusted on the PPP conversion factor published in 2024 by IMF for India which is 22.4

**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

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

No

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste (A)	8.23	Not available
E-Waste (B)	3.28	12.15
Bio-Medical Waste (C)	Not applicable	Not applicable
Construction and demolition waste (D)	Not applicable	Not applicable
Battery For (E)	0	0.18
Radioactive waste (F)	Not applicable	Not applicable
Other Hazardous waste. Please specify, if any. Used Oil(G)	1.13	Not applicable
Other Non-hazardous waste generated (H). Please specify, if any.(Paper, Carboard & general waste)	32.91	7.19
<b>Total (A+B+C+D+E+F+G+H)</b>	<b>45.54</b>	<b>19.52</b>
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000000472	0.00000000216
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000001057*	0.0000000484
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	0.18	8.25
(ii) Re-used	Not Applicable	Not Applicable
(iii) Other recovery operations (safely disposed)	3.10	0
<b>Total</b>	<b>3.28</b>	<b>8.25</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	Not Applicable	Not Applicable
(ii) Landfilling	21.00	11.27
(iii) Other disposal operations	Not Applicable	Not Applicable
<b>Total</b>	<b>21.00</b>	<b>11.27</b>

\*The revenue from operations has been adjusted on the PPP conversion factor published in 2024 by IMF for India which is 22.4

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

**10. 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.**

Not Applicable

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wild lifes anctuaries, bios phereserves, wetlands, bio diversity hot spots, forests, coastal regulation zones etc.) where environmental approvals / clearances arerequired, please specify details.**

S.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.
	Not Applicable	Not Applicable	Not Applicable

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, inFY 2023-24.**

Name and brief details of project	EIA Notification Number	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Web Links
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

**13. 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 there under (Y/N). If not, provide details of all such non-compliances.**

S No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
	Not Applicable	Not Applicable	Not Applicable	Not Applicable

**PRINCIPLE 7 - BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

Engaging in public and regulatory policy should be done responsibly and transparently. By advocating for policies that benefit society, businesses can contribute positively to the regulatory landscape and build trust with the public and policymakers. We understand the power of public policy to shape the world around us, and we are committed to advocating for policies that create a positive societal impact.

**Essential Indicator**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

NASSCOM, CII, FICCI and SEAP

**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.**

S.No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State / National)
1	NASSCOM	National
2	CII - TN Chapter - Annual but renewal is likely to be discontinued	National
3	FICCI - Based on engagement	National
4	SEAP - Pune Chapter – Annual	State

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

Name of the Authority	Brief of the case	Corrective Action Taken
Nil		

**PRINCIPLE 8 - BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

Promoting inclusive growth and equitable development ensures that the benefits of economic progress are shared by all members of society. By addressing inequalities and fostering diversity and inclusion, we at Expleo are committed to contribute to a more just and prosperous world. Expleo believes that true prosperity is achieved when everyone has the opportunity to thrive.

**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 and 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 previous reporting year					

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

S. 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.**

In case of any issues, they can reach to MIDC/HIA/MSEZ/Developer/DC-SEZ/Gram Panchayat/PMC/PCMC/BMC etc.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	16%	49%
Sourced directly from within the district and neighbouring districts	84%	51%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

**PRINCIPLE 9 - BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

Building trust with our consumers is paramount at Expleo. We are committed to responsible marketing practices that create value for consumers while maintaining the highest ethical standards. We provide accurate and transparent information about our services, allowing consumers to make informed choices. We strive to be honest and upfront in all our communications. We also understand the importance of responsible data practices and implement robust security measures to protect consumer information.

**Essential Indicators**

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

- 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.
- 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:**

	<b>As a percentage to total turnover</b>
Environmental and social parameters relevant to the product	Not applicable as it is only a licenced Proprietary software
Safe and responsible usage	Not applicable as it is only a licenced Proprietary software
Recycling and/or safe disposal	Not applicable as it is only a licenced Proprietary software

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

Category	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	-
Advertising	0	0		0	0	-
Cyber-security	0	0	No Cyber Security incident happened during the FY.	0	0	No Cyber Security incident happened during the FY.
Delivery of essential services	0	0		0	0	-
Restrictive Trade Practices	0	0		0	0	-
Unfair Trade Practices	0	0		0	0	-
Others	0	0		13	0	-

**4. Details of instances of product recalls on accounts of safety issues.**

	<b>Number</b>	<b>Reasons for recall</b>
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, it is available on Expleo Intranet and it is internal document. All Cyber Security, Risk and data Privacy Policies are available on below link. <https://ardianet.sharepoint.com/sites/grp-informationsecurity/SitePages/Policy-and-Documentation.aspx>

**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.**

No such issues observed.

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches - Nil**
- b. Percentage of data breaches involving personally identifiable information of customer) - Nil**
- c. Impact, if any, of the data breaches - Nil**



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EXPLEO SOLUTIONS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of **Expleo Solutions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 Ind AS 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 Ind AS 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 Ind AS 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Key Audit Matter Description	Our Response
<p><b>Revenue Recognition – Accuracy of recognition of revenue for fixed-price contracts on percentage of completion method involving critical estimates.</b></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</p>
<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 2.2 (a) to the standalone Ind-AS financial Statements)</p>	<p>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>
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**Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report including annexures to the Director's Report, the Business Responsibility and Sustainability Report, the Management Discussion and Analysis and the Report on Corporate Governance but does not include the standalone Ind AS financial statements and our auditor's reports thereon. The Directors' Report including annexures to the Director's Report, the Business Responsibility and Sustainability Report, the Management Discussion and Analysis and the Report on Corporate Governance is expected to be made available to us after the date of this auditor's report.

Our opinion of the standalone Ind AS 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 Ind AS 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 Ind AS financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's Report including annexures to the Director's Report, the Business Responsibility and Sustainability Report, the Management Discussion and Analysis and the Report on Corporate Governance 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.

**Responsibilities of the Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 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 Company has adequate internal financial controls with reference to financial 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 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.
- (e) 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 Ind AS financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by 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.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (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 Ind-AS financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the Directors of the Company as on March 31, 2024, taken on record by the Board of Directors, none of the directors of the Company are disqualified as on March 31, 2024, from being appointed as a Director in terms of Section 164 (2) of the Act.
  - (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, ("the Rules"), 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 Ind AS financial Statements – Refer Note 39 to the standalone Ind AS 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 its knowledge and belief, as disclosed in the Note 49 to the Standalone Ind AS Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or

entity(ies), including foreign entity(ies) ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 49 to the Standalone Ind AS Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entity(ies) ("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

Based on the audit procedures performed by us 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) of the Rules as provided under (a) and (b) above, contain any material misstatement.

- v. As per information and explanation represented by Management and based on the records of the Company, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable, to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software's for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below:

Nature of exceptions noted:

Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature.

Details of the exceptions:

- (a) The accounting software (Oracle Netsuite) used for maintenance of books of account of the Company is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness (Type 2 report issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year or whether there were any instances of the audit trail feature been tampered with.
- (b) The Company has outsourced the processing of its payroll to a service organisation, being a third-party vendor, who use its own software to process the payroll. In the absence of any information on existence of audit trail (edit logs) in the Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness (Type 2 report issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organisation) in relation to the software used for processing payroll, we are unable to comment whether audit trail feature of the said software was enabled to log any direct data changes and operated throughout the

year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, is applicable from April 1, 2023, reporting under Rule 11(g) of the Rules on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

3. In our opinion and 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.

**For KALYANIWALLA & MISTRY LLP**

**CHARTERED ACCOUNTANTS**

**Firm Registration Number 104607W/W100166**

**AVINASH A. RAO**  
**PARTNER**

**Membership Number 602312**

**UDIN: 24602312BKFBAN2464**

**Place :** Chennai

**Date :** May 23, 2024

## 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 Auditor's Report to the members of the Company on the Standalone Ind-AS Financial Statements for the year ended March 31, 2024.

### 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, except for laptops used by its employees which are verified by Management in a phased manner, designed to cover all the laptops over a period of three years. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. 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 standalone Ind AS 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, 2024, 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. (a) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investment made during the year are, prima facie, not prejudicial to the interest of the Company.
- (b) The Company has not provided any guarantee or security or 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.
- 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 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, 2024, 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.	Finance Act, 1994	633.58	2011-12 to 2015-16	The Customs Excise and Service Tax Appellate Tribunal (CESTAT)
10.	Finance Act, 1994	118.50	April 2016 to June 2017	The Customs Excise and Service Tax Appellate Tribunal (CESTAT)
11.	Finance Act, 1994	31.59	2014-15 to 2017-18	Additional Commissionerate
12.	Finance Act, 1994	7.26	2015-16	Principal Commissioner of Pune, CGST II
13.	Maharashtra Value Added Tax Act, 2002	0.25	2015-16	Deputy Commissioner



<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>
14.	Maharashtra Value Added Tax Act, 2002	0.02	2016-17	Deputy Commissioner
15.	Maharashtra Value Added Tax Act, 2002	0.01	2017-18	Deputy Commissioner
16.	Income Tax Act, 1961	19.10	2009-10	Commissioner of Income Tax (Appeals)
17.	Income Tax Act, 1961	0.26	2016-17	Commissioner of Income Tax (Appeals)
18.	Income Tax Act, 1961	8.52	2016-17	Commissioner of Income Tax (Appeals)
19.	Income Tax Act, 1961	52.15	2020-21	Deputy Commissioner

- 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 to the Company.
- (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 to the Company.
- 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 up to 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 to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with 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 Ind AS 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 to the Company.
- (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 to the Company.
- (c) The Group does not have any CIC. Hence, the provisions of Paragraph 3(xvi)(d) of the Order are not applicable to the Company.
- 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 Ind AS 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**

**AVINASH A. RAO**

**PARTNER**

**Membership Number 602312**

**UDIN: 24602312BKFBAN2464**

**Place : Chennai**

**Date : May 23, 2024**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 2(g) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2024.

### **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 Ind AS financial statements of **Expleo Solutions Limited** ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 Ind AS financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For KALYANIWALLA & MISTRY LLP**

**CHARTERED ACCOUNTANTS**

**Firm Registration Number 104607W/W100166**

**AVINASH A. RAO**

**PARTNER**

**Membership Number 602312**

**UDIN: 24602312BKFBAN2464**

**Place :** Chennai

**Date :** May 23, 2024

## Standalone Balance Sheet as at March 31, 2024

Rs. In Millions

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	1,063.14	1,152.56
Intangible Assets	3	239.60	248.86
Capital work-in-progress	4	45.44	60.62
<b>Financial Assets</b>			
(i) Investments in Subsidiaries	5	43.52	40.15
(ii) Other Non-Current Financial Assets	6	36.96	40.39
Deferred Tax Assets	7	35.25	-
Income Tax Assets (Net)	8	89.58	93.56
Other Non-Current Assets	9	143.57	89.13
<b>Total Non-Current Assets</b>		<b>1,697.06</b>	<b>1,725.27</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
(i) Investments	10	150.28	-
(ii) Trade Receivables	11	2,904.98	2,207.52
(iii) Cash and Cash Equivalents	12	1,246.06	1,296.11
(iv) Bank Balances other than (iii) above	13	79.24	31.79
(v) Other Current Financial Assets	14	340.54	416.33
Other Current Assets	15	541.38	671.04
<b>Total Current Assets</b>		<b>5,262.48</b>	<b>4,622.79</b>
<b>TOTAL ASSETS</b>		<b>6,959.54</b>	<b>6,348.06</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	155.20	155.20
Other Equity	17	5,294.71	4,576.63
<b>Total Equity</b>		<b>5,449.91</b>	<b>4,731.83</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	18	-	3.93
(ii) Lease liabilities		209.82	218.76
Deferred Tax Liabilities	7	-	8.35
Provisions	19	104.27	85.76
Other Non Current Financial Liability	20	179.63	-
<b>Total Non-Current Liabilities</b>		<b>493.72</b>	<b>316.80</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	21	-	0.78
(ii) Lease liabilities		50.74	39.11
(iii) Trade Payables	22		
(A) Total outstanding dues of micro enterprises and small enterprises; and		4.71	1.09
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		331.64	429.14
(iv) Other Current Financial Liabilities	23	402.06	567.24
Other Current Liabilities	24	103.40	91.69
Provisions	25	70.13	28.72
Current Tax Liabilities (Net)	26	53.23	141.66
<b>Total Current Liabilities</b>		<b>1,015.91</b>	<b>1,299.43</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,959.54</b>	<b>6,348.06</b>
<b>Material and Other 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**

**AVINASH A. RAO**

Partner

Membership Number 602312

Place : Chennai, India

Date : May 23, 2024

**RALPH FRANZ  
GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 23, 2024

**BALAJI VISWANATHAN PERIAKARUPPAN  
PALANIAPPAN**

Managing Director & CEO Chief Financial Officer

DIN : 06771242

Place : Chennai, India

Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA

Date : May 23, 2024

## Standalone Statement of Profit and Loss for the year ended March 31, 2024

Rs. In Millions

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from Operations	27	9,648.70	9,032.95
Other Income	28	34.96	86.89
<b>Total Income</b>		<b>9,683.66</b>	<b>9,119.84</b>
<b>EXPENSES</b>			
Employee Benefits Expense	29	5,295.67	4,483.75
Cost of material consumed and other direct costs	30	49.84	73.19
Finance Cost	31	25.96	22.56
Depreciation and Amortisation Expense	3	330.33	272.71
Other Expenses	32	2,903.18	2,532.25
<b>Total Expenses</b>		<b>8,604.98</b>	<b>7,384.46</b>
<b>Profit Before Tax</b>		<b>1,078.68</b>	<b>1,735.38</b>
<b>Tax Expense</b>			
Current Tax	7 (b)	306.07	461.63
Deferred Tax (Credit) / Charge	7 (a)	(38.39)	41.15
<b>Profit for the Year</b>		<b>811.00</b>	<b>1,232.60</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plan		(20.48)	21.02
Income tax relating to items that will not be reclassified to profit or loss	7 (c)	5.16	(5.29)
<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>795.68</b>	<b>1,248.33</b>
<b>Earnings per Equity Share (Face value Rs.10/- per share)</b>			
Basic (Rs.)	33	52.26	79.42
Diluted (Rs.)	33	52.26	79.42
<b>Material and Other 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**

**AVINASH A. RAO**

Partner

Membership Number 602312

Place : Chennai, India  
Date : May 23, 2024

**RALPH FRANZ  
GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany  
Date : May 23, 2024

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India  
Date : May 23, 2024

**PERIAKARUPPAN  
PALANIAPPAN**

Chief Financial Officer

Place : Chennai, India  
Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary &  
Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA  
Date : May 23, 2024

## Standalone Statement of Changes in Equity for the year ended March 31, 2024

### (a) Equity Share Capital

Rs. In Millions

Balance as at April 1, 2022 (Restated) (Refer Note 45)	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

Rs. In Millions

Balance as at April 1, 2023	Changes in equity share capital due to Prior period errors	Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
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, 2022 (Restated)</b>	<b>4.61</b>	<b>(1,206.21)</b>	<b>6.69</b>	<b>1.31</b>	<b>251.82</b>	<b>4,270.08</b>	<b>3,328.30</b>
Profit for the year	-	-	-	-	-	1,232.60	<b>1,232.60</b>
Remeasurement of post employment benefit obligation, net of tax (OCI)	-	-	-	-	-	15.73	<b>15.73</b>
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,248.33</b>	<b>1,248.33</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>5,518.41</b>	<b>4,576.63</b>
Profit for the year	-	-	-	-	-	811.00	<b>811.00</b>
Remeasurement of post employment benefit obligation, net of tax (OCI)	-	-	-	-	-	(15.32)	<b>(15.32)</b>
Dividend	-	-	-	-	-	(77.60)	<b>(77.60)</b>
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>718.08</b>	<b>718.08</b>
Transfer to General Reserves	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>4.61</b>	<b>(1,206.21)</b>	<b>6.69</b>	<b>1.31</b>	<b>251.82</b>	<b>6,236.49</b>	<b>5,294.71</b>

As per our Report of even date

Signatures to the Standalone Statement of Changes in Equity and Notes to Standalone Financial Statements

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 104607W/W100166**

**For and on behalf of the Board**

**AVINASH A. RAO**

Partner

Membership Number 602312

Place : Chennai, India

Date : May 23, 2024

**RALPH FRANZ  
GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 23, 2024

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 23, 2024

**PERIAKARUPPAN  
PALANIAPPAN**

Chief Financial Officer

Place : Chennai, India

Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary &  
Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA

Date : May 23, 2024

## Standalone Statement of Cash Flows for the year ended March 31, 2024

Rs. In Millions

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,078.68</b>	<b>1,735.38</b>
<b>Adjustment for:</b>		
Depreciation and Amortization Expense	330.33	272.71
(Profit)/ Loss on sale of Property, Plant and Equipment	1.72	(8.47)
Unrealized forex exchange loss/(gain) (Net)	24.20	4.65
Interest income	(25.79)	(18.37)
Fair value changes of Mutual Fund	(0.28)	-
Inventory written off	-	22.70
Finance cost	25.96	22.56
Allowance for credit loss	10.35	9.82
Unwinding of discount on security deposits	(2.56)	(0.92)
<b>Operating profit before working capital changes</b>	<b>1,442.61</b>	<b>2,040.06</b>
<b>Adjustment for:</b>		
(Increase) in Trade Receivables	(744.54)	(483.10)
Decrease / (Increase) in Non-Current Financial Assets	6.04	(12.16)
Decrease / (Increase) in Other Current Financial Assets	76.55	(224.76)
Decrease / (Increase) in Other Current Assets	129.24	(134.06)
(Increase)/ Decrease in Other Non-Current Assets	(45.65)	65.64
Increase in Other Non Current Financial Liability	179.63	-
(Decrease) in Trade Payables	(80.42)	(295.26)
(Decrease) / Increase in Other Current Financial Liabilities	(185.67)	55.09
Increase/ (Decrease) in Other Current Liabilities	11.62	(154.60)
Increase/ (Decrease) in Provisions	59.92	(55.83)
<b>Cash generated from operations</b>	<b>849.33</b>	<b>801.02</b>
Direct taxes paid (net of refunds)	(391.66)	(434.58)
<b>Net cash flow from operating activities (A)</b>	<b>457.67</b>	<b>366.44</b>
<b>B. Cash flow from investing activities</b>		
Investment in bank deposits having maturity greater than 3 months	(4,845.48)	(1,885.93)
Proceeds from maturity of Fixed Deposits	4,797.98	1,919.08
Investments in Mutual Fund	(150.00)	-
Investment in Subsidiary	(3.37)	-
Payment for Purchase of Property, Plant and Equipment (Including Capital work in progress and Intangible Assets)	(175.70)	(424.37)
Proceeds from sale of Property, Plant and Equipment	5.08	9.38
Interest received on deposit with banks	25.03	18.37
<b>Net cash flow (used in) investing activities (B)</b>	<b>(346.46)</b>	<b>(363.47)</b>
<b>C. Cash flow from financing activities</b>		
Payment of Lease liability paid	(44.88)	(51.46)
Interest on Lease liability	(24.42)	(12.34)
Borrowing Repayment	(4.71)	(0.64)
Interest on Borrowings	(0.40)	(1.27)
Dividends paid	(77.60)	-
<b>Net cash flow (used in) financing activities (C)</b>	<b>(152.01)</b>	<b>(65.71)</b>
<b>Net (Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(40.80)</b>	<b>(62.74)</b>
Effect of changes in exchange rate on cash and cash equivalents	(9.25)	(10.82)
Cash & cash equivalents at the beginning of the year	1,296.11	1,369.67
<b>Cash and cash equivalents at the end of the year (Refer Note 12)</b>	<b>1,246.06</b>	<b>1,296.11</b>



## Standalone Statement of Cash Flows for the year ended March 31, 2024 (Contd.)

**Notes:**

1. The above Statement of Cash Flows includes Rs. 24.99 Millions spent (Previous Year: Rs. 20.11 Millions) towards Corporate Social Responsibility (CSR) Activities (Refer Note 42).
2. 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".
3. Reconciliation of Liabilities arising from Financing Activities:

Rs. In Millions

Particulars	As At March 31, 2023	Changes As Per Statement Of Cash Flows	Non-Cash Changes/ Fair Value Changes	As At March 31, 2024
Long Term Borrowings	3.93	(3.93)	-	-
Short Term Borrowings	0.78	(0.78)	-	-
	4.71	(4.71)	-	-

Rs. In Millions

Particulars	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
	5.34	(0.63)	-	4.71

4. 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**

**AVINASH A. RAO**

Partner

Membership Number 602312

Place : Chennai, India

Date : May 23, 2024

**RALPH FRANZ  
GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

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**BALAJI VISWANATHAN  
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Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 23, 2024

**PERIAKARUPPAN  
PALANIAPPAN**

Chief Financial Officer

Place : Chennai, India

Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary &  
Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA

Date : May 23, 2024

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### 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 and Bombay Stock Exchange 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 to the banking, financial services and insurance industry worldwide. The Company has invested in five 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, 2024 were authorized for issue in accordance with the resolution of the Board of Directors on May 23, 2024.

### Note: 2

#### 2.1 Basis for Preparation of Financial Statements

##### 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”), 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, Bengaluru, Pune, Coimbatore, Mumbai, 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

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

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 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 components 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,

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

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 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.

## 2.2 MATERIAL ACCOUNTING POLICIES

### a) 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

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.

- 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.

- ix. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues, comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts, are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

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

### b) 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

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

Asset description	Useful life (in years)
Vehicles	4 years
Temporary Partitions	Fully Depreciated
Leasehold Rights and Improvements	2 - 5 years / 99 years
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.

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.

### c) 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".

### d) 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

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

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 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.

## 2.3 OTHER ACCOUNTING POLICIES

### a) Interest Income:

Interest Income is recognised using the effective interest rate method.

### b) Dividend Income:

Dividend income is recognized when the right to receive payment is established.

### c) Other Income:

Other Income is recognized when the right to receive is established.

### d) 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### e) 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 / installation are complete and the asset is ready for its intended use.

### f) 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.

### g) 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 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.



## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### (v) Investment 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.

### h) Impairment:

#### i) Financial Assets:

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. 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 twelve-month 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.

#### 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### **i) 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 35 in the 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.

### **j) 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

Contingent assets are not recognised but their existence is disclosed in the financial statements.

### k) 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.

### l) 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.

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.

### m) 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.

## Notes to the Standalone Financial Statements as at March 31, 2024

### 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.

### n) 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.

### o) 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.

### p) 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.

### q) Lease:

#### Where the company is a lessee:

Effective April 1, 2019, the Company 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 Company recognised operating lease expense on a straight-line basis over the term of the lease.

## Notes to the Standalone Financial Statements as at March 31, 2024

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.

### r) **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.

### **Recent accounting pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## Notes to the Standalone Financial Statements as at March 31, 2024

### Note 3: Property, Plant & Equipment and Intangible Assets

Particulars	Rs. In Millions											
	GROSS BLOCK					DEPRECIATION AND AMORTISATION					NET BLOCK	
	As at April 1, 2023	Additions during the year	Deductions during the year	As at March 31, 2024	Up to March 31, 2023	For the Year	Deductions during the year	Adjustment (Refer Note 3.2 below)	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>a) Property, Plant &amp; Equipment</b>												
Buildings	613.79	16.27	-	630.06	65.54	20.96	-	-	86.50	543.56	548.25	
- Owned												
- Right of Use Assets (Refer Note 3.1)	333.17	50.31	19.04	364.44	65.55	55.99	19.04	-	102.49	261.95	267.62	
Leasehold Improvements	53.72	2.26	-	55.98	3.59	1.58	-	-	5.17	50.82	50.13	
Plant and Equipment	78.46	1.19	0.50	79.15	44.21	6.24	0.45	-	50.00	29.15	34.25	
Office Equipment	24.77	5.06	2.57	27.26	13.21	6.30	2.41	-	17.10	10.16	11.56	
Furniture and Fittings	55.42	2.20	1.54	56.08	49.50	4.31	1.54	-	52.27	3.82	5.92	
Computer Equipment	414.77	73.00	40.19	447.58	191.32	136.01	36.15	-	291.18	156.40	223.45	
Vehicles	15.27	2.34	8.66	8.94	3.89	3.93	6.15	-	1.67	7.28	11.38	
<b>Total Property, Plant &amp; Equipment</b>	<b>1,589.37</b>	<b>152.63</b>	<b>72.50</b>	<b>1,669.49</b>	<b>436.81</b>	<b>235.32</b>	<b>65.74</b>	<b>-</b>	<b>606.38</b>	<b>1,063.14</b>	<b>1,152.56</b>	
<b>Previous Year</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>1,152.56</b>		
<b>b) Intangible Assets</b>												
Computer Software and Tools	149.63	0.13	13.77	135.99	72.43	29.63	13.77	-	88.29	47.70	77.20	
IP rights	184.13	85.62	-	269.75	41.34	61.69	-	-	103.03	166.72	142.79	
Customer Contracts	7.50	-	-	7.50	1.25	1.88	-	-	3.13	4.37	6.25	
Goodwill	19.00	-	-	19.00	-	-	-	-	-	19.00	19.00	
Non-Compete Fees	5.43	-	-	5.43	1.81	1.81	-	-	3.62	1.81	3.62	
<b>Total Intangible Assets</b>	<b>365.69</b>	<b>85.75</b>	<b>13.77</b>	<b>437.67</b>	<b>116.83</b>	<b>95.01</b>	<b>13.77</b>	<b>-</b>	<b>198.07</b>	<b>239.60</b>	<b>248.86</b>	
<b>Previous Year</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>248.86</b>		
<b>TOTAL (a + b)</b>	<b>1,955.06</b>	<b>238.38</b>	<b>86.27</b>	<b>2,107.16</b>	<b>553.64</b>	<b>330.33</b>	<b>79.51</b>	<b>-</b>	<b>804.45</b>	<b>1,302.74</b>	<b>1,401.42</b>	
<b>Total Previous Year (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>1,401.42</b>	<b>-</b>	

**Note 3.1:** Buildings includes right-of-use assets of Rs. 365.21 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 45), 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 previous 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, 2024

## Note 4: Capital Work-In Progress

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Work-In Progress	45.44	60.62
<b>Total</b>	<b>45.44</b>	<b>60.62</b>

## Note 4.1: Ageing of Capital Work in Progress (CWIP) as at March 31, 2024:

Rs. In Millions

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	6.13	39.31	45.44
Projects temporarily suspended	-	-	-	-	-

## Note 4.2: Ageing of Capital Work in Progress (CWIP) as at March 31, 2023:

Rs. In Millions

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
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. During the current year, the Company has restarted the completion of building and partial space has been put to use.

## Note 5: Investments in Subsidiaries

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<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
150 equity shares (Previous Year: Nil) of AED 1,000/- each in Expleo Solutions LLC, Dubai	3.37	-
<b>Total</b>	<b>43.52</b>	<b>40.15</b>
Aggregate Value of Unquoted Investments	43.52	40.15

## Notes to the Standalone Financial Statements as at March 31, 2024

### Note 6: Other Non Current Financial Assets

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, Considered good</b>		
Fixed Deposits with remaining maturity of more than 12 months (Refer Note 6.1 below)	0.05	-
Security Deposits	36.91	40.39
<b>Total</b>	<b>36.96</b>	<b>40.39</b>

**Note 6.1:** Under lien with bank towards guarantees issued by them on behalf of the Company.

### Note 7: Deferred Tax Assets /(Liabilities)

#### Deferred Tax Asset/(Liabilities) as at March 31, 2024:

Rs. In Millions

Particulars	Net Balance as at April 01, 2023	Movement during the year		Net balance as at March 31, 2024
		Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	
<b>Deferred Tax Assets / (Liabilites)</b>				
Property, Plant and Equipment	(59.84)	19.80	-	(40.04)
Employee Benefits	49.01	18.55	5.16	72.73
Allowance for expected Credit loss	2.48	0.04	-	2.56
<b>Deferred Tax Assets / (Liabilites)</b>	<b>(8.35)</b>	<b>38.39</b>	<b>5.16</b>	<b>35.25</b>

#### 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 / (Liabilites)</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>



## Notes to the Standalone Financial Statements as at March 31, 2024

### 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 March 31, 2024	For the year ended March 31, 2023
<b>Current Income Tax</b>		
Current tax expense for current year	302.72	449.73
Current tax expense pertaining to previous years	3.35	11.90
	306.07	461.63
<b>Deferred Tax Asset (Net)</b>		
Origination and reversal of Tax on Temporary Differences	(38.39)	41.15
<b>Total Tax expense for the year</b>	<b>267.68</b>	<b>502.78</b>

#### c) Amounts recognised in Other Comprehensive Income

Rs. In Millions

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Before Tax	Tax (Expense)/ Benefit	Net of Tax	Before Tax	Tax (Expense)/ Benefit	Net of Tax
Remeasurement of Defined Benefit Plan	(20.48)	5.16	(15.32)	21.02	(5.29)	15.73
<b>Total</b>	<b>(20.48)</b>	<b>5.16</b>	<b>(15.32)</b>	<b>21.02</b>	<b>(5.29)</b>	<b>15.73</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, 2024	For the year ended March 31, 2023
<b>Profit Before Tax</b>	<b>1,079</b>	<b>1,735</b>
Indian statutory income tax rate	25.168%	25.168%
Expected income tax expense	<b>271.48</b>	<b>436.76</b>
<b>Tax effect of adjustments to reconcile expected Income Tax Expense:</b>		
Tax Effect of Non-Deductible expenses to reported Income Tax Expense	8.84	5.89
Income not chargeable to tax	(0.64)	(0.14)
Adjustments recognised in current year in relation to tax of prior years	3.36	11.90
Tax Effect of Tax paid at a lower rate for foreign branches	1.94	1.86
Tax Effect of Deductible Temporary Differences	(15.04)	44.09
Others	(2.26)	2.42
<b>Total Income Tax Expense</b>	<b>267.68</b>	<b>502.78</b>

- 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.

## Notes to the Standalone Financial Statements as at March 31, 2024

### Note 8: Income Tax Assets (Net)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax and Tax Deducted at Source (Net)	89.58	93.56
<b>Total</b>	<b>89.58</b>	<b>93.56</b>

(Refer Note 7 for Tax Reconciliations)

### Note 9: Other Non Current Assets

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	32.75	3.50
Balances with Government authorities	110.82	85.63
<b>Total</b>	<b>143.57</b>	<b>89.13</b>

### Note 10: Investments

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments carried at fair value through profit and loss</b>		
<b>Investment in funds, quoted</b>		
HSBC Liquid Fund - Direct Growth (units as at March 31, 2024: 62,463.10, March 31, 2023: Nil)	150.28	-
	<b>150.28</b>	<b>-</b>

### Note 11: Trade Receivables

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured (Refer Note 11.1 below)	2,918.16	2,211.01
Less: Allowances for Credit Loss	(13.18)	(3.49)
<b>Total</b>	<b>2,904.98</b>	<b>2,207.52</b>

**Note 11.1:** Includes dues from subsidiaries Rs. 571.45 Millions (Previous Year: Rs. 257.06 Millions) (Refer Note 44).

## Notes to the Standalone Financial Statements as at March 31, 2024

### Note 11: Trade Receivables (Contd.)

#### Note 11.2: Ageing of trade receivables as at March 31, 2024 :

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	765.65	2,036.83	66.20	47.26	1.29	0.93	2,918.16
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>765.65</b>	<b>2,036.83</b>	<b>66.20</b>	<b>47.26</b>	<b>1.29</b>	<b>0.93</b>	<b>2,918.16</b>
Less : Allowances for Doubtful Trade receivables							(13.18)
<b>Total</b>							<b>2,904.98</b>

#### Note 11.3: 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	-	-	-	-	-	-	-

## Notes to the Standalone Financial Statements as at March 31, 2024

### Note 11: Trade Receivables (Contd.)

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>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>

### Note 12: Cash and Cash Equivalents

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances With Banks</b>		
in Current Accounts	844.62	916.06
in Deposit Accounts with original maturity of less than 3 months	401.44	380.01
Cash On Hand	-	0.04
<b>Total</b>	<b>1,246.06</b>	<b>1,296.11</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.

### Note 13: Other Bank Balances

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances With Banks</b>		
Earmarked Balances with Banks - Unclaimed Dividend	0.98	1.40
Deposits with original maturity of more than 3 months but less than 12 months (Refer Note 13.1 below)	78.26	30.39
<b>Total</b>	<b>79.24</b>	<b>31.79</b>

**Note 13.1:** Includes deposits under lien with bank guarantee issued by the bank on behalf of the Company Rs. 29.47 Millions (Previous Year: Rs. 29.64 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.

## Notes to the Standalone Financial Statements as at March 31, 2024

### Note 14: Other Current Financial Assets

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	32.49	8.02
Interest accrued on fixed deposits	1.62	0.86
Export incentive receivables	-	34.44
Unbilled Revenue	306.43	373.01
<b>Total</b>	<b>340.54</b>	<b>416.33</b>

### Note 15: Other Current Assets

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered Good</b>		
Advances to Vendors	39.46	101.95
Advances to employees and others	14.82	4.80
Balances with Government Authorities	199.39	213.88
Prepaid Expenses	86.96	130.36
Unbilled revenue	200.75	220.05
<b>Total</b>	<b>541.38</b>	<b>671.04</b>

### Note 16: Equity Share Capital

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<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>		
15,519,739 (Previous Year: 10,252,485) Equity Shares of Rs.10/- each fully paid up	155.20	102.52
<b>c) Shares pending issuance (Refer Note 16.2 below)</b>	-	52.68
<b>Total</b>	<b>155.20</b>	<b>155.20</b>

**Note 16.1:** During the previous year, 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 shares of Rs 10/-each.

**Note 16.2:** In the current year, pursuant to Scheme of Amalgamation from the previous year, 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 16: Equity Share Capital (Contd.)

#### d) Reconciliation of number of shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs. In Millions	No. of shares	Rs. In Millions
<b>Equity Shares</b>				
Outstanding at the beginning of the year	1,02,52,485	102.52	1,02,52,485	102.52
Issued during the year	52,67,254	52.68	-	-
Shares pending issuance	-	-	52,67,254	52.68
<b>Total</b>	<b>1,55,19,739</b>	<b>155.20</b>	<b>1,55,19,739</b>	<b>155.20</b>

#### e) Shareholding Information

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	No. of shares	No. of shares
<b>Equity Shares are held by</b>		
Expleo Technology Germany GmbH (Holding Company)	1,10,26,058	57,58,804
	<b>1,10,26,058</b>	<b>57,58,804</b>

#### 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		As at	
	March 31, 2024		March 31, 2023	
	No. of shares	%	No. of shares	%
<b>Equity Shares</b>				
Expleo Technology Germany GmbH (Holding Company)	1,10,26,058	71.05%	57,58,804	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.

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**

**Note 16: Equity Share Capital (Contd.)**

**i) Disclosure of Shareholding of Promoters**

**Shares held by promoters as at March 31, 2024**

Particulars	As at March 31, 2024		As at March 31, 2023		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH	1,10,26,058	71.05%	57,58,804	56.17%	91.46%

**Shares held by promoters as at March 31, 2023**

Particulars	As at March 31, 2023		As at March 31, 2022		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH	57,58,804	56.17%	57,58,804	56.17%	0.00%

**Note 17: Other Equity**

**Rs. In Millions**

Particulars	As at March 31, 2024	As at March 31, 2023
<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

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 17: Other Equity (Contd.)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<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	5,518.41	4,270.08
Profit for the year	811.00	1,232.60
Other Comprehensive Income	(15.32)	15.73
Dividend distributed	(77.60)	-
Closing Balance	6,236.49	5,518.41
<b>Total</b>	<b>5,294.71</b>	<b>4,576.63</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) it's 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 (EI IPL) (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 previous 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.



## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 18: Borrowings (Non Current)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Indian Rupee Term Loan from financial institution (Refer Note 18.1 below)	-	3.93
<b>Total</b>	<b>-</b>	<b>3.93</b>

**Note 18.1:** Indian Rupee Loan from a 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. During the current year the Company has preclosed the loan.

### Note 19: Provisions (Non Current)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Compensated Absences	78.25	62.00
Long Term Service Award	26.02	23.76
<b>Total</b>	<b>104.27</b>	<b>85.76</b>

### Note 20: Other Non Current Financial Liability

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity Liability	179.63	-
<b>Total</b>	<b>179.63</b>	<b>-</b>

### Note 21: Borrowings (Current)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Indian Rupee Term Loan from a financial institution (Refer Note 18.1)	-	0.78
<b>Total</b>	<b>-</b>	<b>0.78</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 22: Trade Payables

#### Note 22.1: Ageing of Trade payables as at March 31, 2024:

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	4.71	-	-	
b) Undisputed dues - Others	172.25	122.45	35.68	1.21	0.05	<b>331.64</b>	
c) Disputed Dues - MSME	-	-	-	-	-	-	
d) Disputed Dues - Others	-	-	-	-	-	-	
<b>Total</b>						<b>336.35</b>	

#### Note 22.2: Ageing of Trade payables as at March 31, 2023:

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) 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 22.3: 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, 2024	Relationship with the struck off company
Nil				

As per the information available with the Company, there has been no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year (Previous Year – 0.44 Mn)

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**

**Note 22: Trade Payables (Contd.)**

**Note 22.4: Dues of Micro & 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 current year ended March 31,2024.

**Rs. In Millions**

<b>Particulars</b>		<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
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	4.71	1.09
	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.	-	-

**Note 23: Other Current Financial Liabilities**

**Rs. In Millions**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Unclaimed dividend (Refer Note 23.1 below)	0.98	1.39
Employee benefits payable	255.78	172.16
Gratuity Liability	-	112.50
Liabilities for other expenses	145.30	281.19
<b>Total</b>	<b>402.06</b>	<b>567.24</b>

**Note 23.1:** 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 24: Other Current Liabilities

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues	74.39	56.97
Unearned Revenue	8.55	34.72
Advance from customers	20.46	-
<b>Total</b>	<b>103.40</b>	<b>91.69</b>

### Note 25: Provisions (Current)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Compensated Absences	25.30	20.27
Long Term Service Award	44.83	8.45
<b>Total</b>	<b>70.13</b>	<b>28.72</b>

### Note 26: Current Tax Liabilities (Net)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Tax (Net)	53.23	141.66
<b>Total</b>	<b>53.23</b>	<b>141.66</b>

(Refer Note 7 for Tax Reconciliations)

### Note 27: Revenue from Operations

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Software services (Refer Note 27.1 below)	9,581.43	9,032.95
Sale of Product	67.27	-
<b>Total</b>	<b>9,648.70</b>	<b>9,032.95</b>

#### Note 27.1: 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, 2024 and March 31, 2023 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 27: Revenue from Operations (Contd.)

#### Revenue based on contract type:

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fixed Bid	2,622.63	2,569.93
Time & Material	7,026.07	6,463.02
<b>Total</b>	<b>9,648.70</b>	<b>9,032.95</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 43 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. 8.55 Millions (Previous Year: Rs.34.72 Millions) recognised in contract liabilities as at April 1, 2023 has been recognised as revenue for the year ended March 31, 2024.
- 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. 8.48 Millions (Previous Year: Rs. 38.41 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 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, 2024	For the year ended March 31, 2023
Revenue from contracts with customers (as per the Statement of Profit and Loss)	9,648.70	9,032.95
Add: Discounts	22.38	24.64
<b>Revenue as per contracted price with the customers</b>	<b>9,671.08</b>	<b>9,057.59</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 28: Other Income

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income		
On Fixed deposits and others	25.79	18.36
On Other financial assets carried at amortised cost	2.56	0.93
Profit on Sale of Property, Plant & Equipment	-	8.47
Fair value changes of Mutual Fund	0.28	-
Net foreign exchange gain	6.27	57.89
Miscellaneous Income	0.06	1.24
<b>Total</b>	<b>34.96</b>	<b>86.89</b>

### Note 29: Employee Benefits Expense

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	4,926.80	4,140.37
Contribution to provident and other funds (Refer Note 34 (b) (i))	264.36	224.92
Gratuity expense (Refer Note 34 (b) (ii))	49.71	49.54
Staff welfare expense	54.80	68.92
<b>Total</b>	<b>5,295.67</b>	<b>4,483.75</b>

### Note 30: Cost of material consumed and other direct costs

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase and other direct costs	48.78	71.68
Freight, Clearing and Other Expenses	1.06	1.51
<b>Total</b>	<b>49.84</b>	<b>73.19</b>

### Note 31: Finance Cost

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Loan	0.40	1.27
Interest on Income Tax	1.14	8.95
Interest on Lease liability	24.42	12.34
<b>Total</b>	<b>25.96</b>	<b>22.56</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 32: Other Expenses

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Travel and conveyance	256.45	177.09
External Consultant costs	991.82	932.90
Sales commission	0.87	-
Onsite service expenses	811.87	747.50
Professional fees	75.95	85.48
Software expenses	275.53	245.91
Rent expenses for Short term and low value leased assets	20.21	8.34
Marketing and selling expenses	23.08	50.34
Repairs & maintenance		
Buildings	64.61	50.12
Plant and machinery	4.19	6.11
Others	17.15	13.26
Power and fuel	38.80	31.85
Rates and taxes	63.12	9.45
Loss on sale of Property, Plant and Equipment	1.72	-
Communication expenses	9.54	0.57
Insurance	130.21	74.15
Training and recruitment	44.38	34.72
Corporate Social Responsibility Expense (Refer Note 42)	24.99	20.11
Audit fees (Refer Note 40)	7.84	8.96
Directors sitting fees	1.98	1.98
Commission to Non-Executive directors	11.24	8.13
Allowances for credit loss	9.69	2.86
Bad Debts written off	0.40	6.96
Miscellaneous expenses	17.54	15.46
<b>Total</b>	<b>2,903.18</b>	<b>2,532.25</b>

### Note 33: Earnings Per Share

Pursuant to Merger as detailed in Note 45, 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 year ended March 31, 2023.

#### 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 33: Earnings Per Share (Contd.)

**(i) Profit attributable to equity shareholders (basic)** Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year, attributable to equity shareholders of the company	811.00	1,232.60
<b>Total</b>	<b>811.00</b>	<b>1,232.60</b>

**(ii) Weighted average number of equity shares (basic)** Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of equity shares at the beginning of the year	1,55,19,739	1,55,19,739
No. of shares added during the year	-	-
<b>Total weighted average number of equity shares for calculating basic EPS</b>	<b>1,55,19,739</b>	<b>1,55,19,739</b>
<b>Earnings Per Share - Basic (in Rs.) (Face Value Rs. 10/- per share)</b>	<b>52.26</b>	<b>79.42</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, 2024	For the year ended March 31, 2023
Profit for the year, attributable to equity shareholders of the Company	811.00	1,232.60
<b>Total</b>	<b>811.00</b>	<b>1,232.60</b>

**(ii) Weighted average number of equity shares (diluted)** Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average number of equity shares outstanding (basic)	1,55,19,739	1,55,19,739
<b>Weighted average number of equity shares for calculating diluted EPS</b>	<b>1,55,19,739</b>	<b>1,55,19,739</b>
<b>Earnings Per Share - Diluted (in Rs.) (Face Value Rs. 10/- per share)</b>	<b>52.26</b>	<b>79.42</b>



## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 34: 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.

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
<b>Liability at the beginning of the year</b>	82.27	111.46
Leave salary cost accounted for the year (Net)	21.28	(29.19)
<b>Total liability as at the end of the year</b>	<b>103.55</b>	<b>82.27</b>

**Note 34.1:** Refer Note 19 for Long term benefits and Note 25 for Short term benefits.

#### b) Post-employment obligations

##### (i) Defined contribution plan - Provident Fund & Social Security Schemes

Rs. In Millions

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Employer's contribution accounted for the year (includes EDLI Charges and Employer's Contribution to Employee's Pension Scheme, 1995)	224.44	194.06
Social Security contribution in respect of employees based outside India	39.92	30.86
<b>Total</b>	<b>264.36</b>	<b>224.92</b>

##### (ii) Gratuity

The Company offers gratuity benefits, a defined employee benefit scheme to its employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

The fund is managed by LIC, the fund manager. However, the said funds are subject to Market risk (such as interest risk, investment risk, etc.). The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 34: Disclosure as required under Ind AS 19 - 'Employee Benefits' (Contd.)

Defined Benefit Plan - Gratuity	Rs. In Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<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>	251.72	252.36
Interest cost	16.41	14.73
Current service cost	43.48	44.75
Benefits paid	(26.25)	(37.76)
Past Service Cost	-	(1.94)
Actuarial (Gain)/ Loss on obligations- due to change in demographic assumptions	-	(4.56)
Actuarial (Gain)/ Loss on obligations- due to change in financial assumptions	1.50	(2.28)
Actuarial (Gain)/ Loss on obligations- due to change in experience	23.34	(13.58)
<b>Present value of obligation as at end of the year</b>	<b>310.19</b>	<b>251.72</b>
<b>ii) Change in fair value of Plan Assets</b>		
<b>Fair value of plan assets at the beginning of the year</b>	139.22	132.70
Expected return on plan assets	10.18	8.01
Contributions made	1.35	30.54
Benefits paid	(24.55)	(32.63)
Return on plan assets, excluding amounts included in interest (expense)/ income	4.36	0.60
<b>Fair value of plan assets at the end of the year</b>	<b>130.56</b>	<b>139.22</b>
<b>iii) Amount recognized in the balance sheet</b>		
Present value of the obligation as at end of the year	310.19	251.72
Less: Fair value of plan assets as at end of the year	130.56	139.22
Net obligation as at end of the year	179.63	112.50
<b>Amount recognized in the Balance Sheet</b>		
Net liability recognized - Current	-	112.50
Net liability recognized - Non-current (Refer Note (34.2)(i) below)	179.63	-
<b>iv) Expenses recognized in the Statement of Profit and Loss for the year</b>		
Current service cost	43.48	44.75
Past service cost	-	(37.76)
Net Interest on Net Defined benefit obligations	16.41	14.73

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 34: 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, 2024</b>	<b>For the year ended March 31, 2023</b>	
Interest (income) on plan assets	(10.18)	(8.01)	
<b>Total expense included in employee benefit expenses</b>	<b>49.71</b>	<b>13.71</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	1.50	(2.28)	
Actuarial (Gain)/Loss on obligations- due to change in experience	23.34	(13.58)	
Remeasurement - (return)/loss on plan assets excluding amount included in net interest income	(4.36)	(0.60)	
<b>Recognized in Other Comprehensive Income</b>	<b>20.47</b>	<b>(21.02)</b>	
<b>vi) Actuarial assumptions</b>			
Discount rate - Current	7.18%	7.31%	
Expected rate of return on plan assets	7.18%	7.31%	
Salary Escalation - Current	10.00%	10.00%	
Attrition rate	25.00%	25.00%	
<b>vii) Sensitivity Analysis (Refer Note 34.2 (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	304.50	247.19	
Delta effect of -0.5% Change in Rate of discounting	316.11	256.42	
Delta effect of +0.5% Change in Rate of Salary Escalation	315.90	255.50	
Delta effect of -0.5% Change in Rate of Salary Escalation	304.60	247.99	
Delta effect of +0.5% Change in Rate of Employee turnover	308.81	250.74	
Delta effect of -0.5% Change in Rate of Employee turnover	311.61	252.71	
Methodology adopted for asset liability management (ALM)	Projected Unit Credit Method	Projected Unit Credit Method	

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 34: 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, 2024</b>	<b>For the year ended March 31, 2023</b>	
<b>viii) Maturity profile of defined benefit obligation</b>			
The weighted average duration of the defined benefit obligation is 10 years. 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, 2024</b>	<b>For the year ended March 31, 2023</b>	
1st Following year	62.69	54.36	
2nd Following year	54.41	45.16	
3rd Following year	50.54	40.03	
4th Following Year	48.00	36.59	
5th Following year	40.47	32.92	
Sum of years 6 to 10 years	112.94	91.27	
Above 10 Years	55.46	44.21	
<b>ix) Category of Plan assets</b>			
Funds managed by the Insurer	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.			

**Note: 34.2:**

- (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) During the previous year, there was partially unfunded liability to the extent of Bengaluru location.

### Note 35: 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.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Note 35: Financial Instruments (Contd.)

Rs. In Millions

As at March 31, 2024	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	-	-	36.91	36.91	-	-	-	-
Other non-current financial assets	-	-	0.05	0.05	-	-	-	-
Investments	150.28	-	-	150.28	150.28	-	-	150.28
Trade receivables	-	-	2,904.98	2,904.98	-	-	-	-
Cash and cash equivalents	-	-	1,246.06	1,246.06	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	79.24	79.24	-	-	-	-
Security deposits - current	-	-	32.49	32.49	-	-	-	-
Interest accrued on fixed deposits	-	-	1.62	1.62	-	-	-	-
Unbilled Revenue	-	-	306.43	306.43	-	-	-	-
<b>Total</b>	<b>150.28</b>	<b>-</b>	<b>4,607.78</b>	<b>4,758.06</b>	<b>150.28</b>	<b>-</b>	<b>-</b>	<b>150.28</b>
<b>Financial Liabilities:</b>								
Lease Liability - Non-Current	-	-	209.82	209.82	-	-	-	-
Lease Liability - Current	-	-	50.74	50.74	-	-	-	-
Trade payables	-	-	336.36	336.36	-	-	-	-
Other current financial liabilities	-	-	402.06	402.06	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>998.98</b>	<b>998.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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	-	-	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	-	-	-	-

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 35: 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
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	-	-	-	-
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>1,260.05</b>	<b>1,260.05</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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 35: Financial Instruments (Contd.)

#### (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.

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 4,570.82 Millions (Previous Year: Rs. 3,951.74 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 Company has computed the credit loss allowance based on the Expected Credit Loss model which excludes transactions with its wholly owned subsidiaries.

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, 2024	As at March 31, 2023
Trade receivables from major customers	297.11	-
Percentage of Trade Receivables from major customers	10.18%	0.00%

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 35: Financial Instruments (Contd.)

The movement in the expected credit loss allowance is as follows:

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	3.49	0.63
Impairment loss provision created	9.69	2.86
<b>Balance at end of the year</b>	<b>13.18</b>	<b>3.49</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 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, 2024		March 31, 2023	
		Amount (FCY in Millions)	Amount (Rs. in Millions)	Amount (FCY in Millions)	Amount (Rs. in Millions)
Trade receivables	GBP	3.25	342.11	0.81	82.42
Trade receivables	USD	8.61	717.51	9.07	745.83
Trade receivables	EUR	14.86	1,340.83	12.39	1,109.93
Cash and Cash Equivalents	GBP	0.41	43.54	1.31	133.92
Cash and Cash Equivalents	USD	1.87	155.79	3.03	248.83
Cash and Cash Equivalents	EUR	5.27	475.65	3.26	292.25
Other Current Financial Assets	GBP	-	-	0.26	26.21
Other Current Financial Assets	USD	0.77	64.23	0.81	66.27
Other Current Financial Assets	EUR	2.15	194.37	2.77	248.23
Trade Payables	GBP	0.00	0.39	0.01	0.77
Trade Payables	USD	0.24	19.71	0.07	5.95
Trade Payables	EUR	1.82	164.22	3.46	310.27
Other Current Financial Liabilities	EUR	0.46	41.36	0.60	54.13



## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 35: Financial Instruments (Contd.)

#### 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	
	As at March 31, 2024	As at March 31, 2023
<b>GBP Sensitivity</b>		
INR/GBP - Increased by 5%*	19.26	12.09
INR/GBP - Decreased by 5%*	(19.26)	(12.09)
<b>USD Sensitivity</b>		
INR/USD - Increased by 5%*	45.89	52.75
INR/USD - Decreased by 5%*	(45.89)	(52.75)
<b>EUR Sensitivity</b>		
INR/EUR - Increased by 5%*	90.26	64.30
INR/EUR - Decreased by 5%*	(90.26)	(64.30)

\* 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:

As at March 31, 2024	Carrying amount	Rs. In Millions				
		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	-	-	-	-	-	-
Lease Liability	209.82	209.82	-	57.07	124.42	28.33
<b>Current</b>						
Trade Payables	336.36	336.36	336.36	-	-	-
Lease Liabilities	50.74	50.74	50.74	-	-	-
Other Current Financial Liabilities - Others	402.06	402.06	402.06	-	-	-

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 35: Financial Instruments (Contd.)

The following are the remaining contractual maturities of financial liabilities: **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 - Others	567.24	567.24	567.24	-	-	-

### Note 36: 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 37: 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, 2024	As at March 31, 2023
<b>Current Financial Assets</b>		
<b>First Charge</b>		
Current Assets - Fixed Deposits with Banks	29.47	30.52
<b>Total assets pledged as security</b>	<b>29.47</b>	<b>30.52</b>

### Note 38: 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, 2024 is Rs. 74.53 Millions (Previous Year: Rs.128.01 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. 20.21 Millions (Previous Year: Rs.8.34 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, 2024

### Note 38: 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, 2024	For the year ended March 31, 2023
Opening Liability	257.87	141.74
Additions towards new lease properties	47.57	158.74
Deletions of Lease liability during the year	-	-
Interest expenses	24.42	12.34
Payment of Lease Liabilities	(69.30)	(54.95)
<b>Closing Liability</b>	<b>260.56</b>	<b>257.87</b>

The Lease Liabilities as at March 31, 2024 amounting to Rs. 260.56 Millions (Previous Year: Rs. 257.87 Millions ) comprises of Non-Current Lease liabilities of Rs.209.82 Millions (Previous Year: Rs.218.76 Millions) and current lease liability of Rs. 50.74 Millions (Previous Year: Rs. 39.11 Millions). The contractual maturities of lease liabilities as of March 31, 2024 is disclosed in Note 35.

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 39: Contingent Liabilities and Commitments

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>a) Contingent Liabilities</b>		
(i) Claims against the Company not acknowledged as debt :		
Service Tax related matters	826.12	829.39
VAT Related Matters	0.28	0.28
Income Tax related matters	167.93	230.77
(ii) Guarantees		
Counter Guarantees issued to the bank	17.52	4.22
<b>b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	65.62	43.85

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, 2024

### Note 39: Contingent Liabilities and Commitments (Contd.)

During the FY 2019-20, the Company has received a show cause notice from the Additional Commissioner of Central Goods and Service Tax Audit -I 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.

During FY 2023-24, the company received a show cause notice from the Additional Commissioner of Central Goods and Service Tax Audit -I Commissioner in Pune regarding objections raised against submissions made during FY 2019-20. The objection concerning procedures followed regarding SEZ status, specifically the discharge of service tax liability related to services received from non-taxable territories. The issue raised by the Joint Commissioner (JC) pertains to a service tax demand for SEZ exemption non-payment amounting to Rs. 32.40 million. This relates to import of services under reverse charge basis (as the recipient of services) for onsite services received by the company from non-taxable territories during FY 2014-15 to FY 2017-18. The company has filed an appeal and made payment under protest Rs. 0.81 Million, based on legal advice from its tax consultant. 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 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 paid under protest Rs.73.99 Millions (after adjusting the refund of Rs.13.36 Millions related to earlier years). 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. Furthermore, during the current financial year, the company received a notice for Financial Year 2020-21 (Assessment Year 2021-22) with a tax demand of Rs. 52.15 Millions. The company has already filed an appeal before CIT(A) and obtained stay petition for the same.

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 Rs.27.90 Millions only for the issue pertaining to Section 10A of the Income Tax Act, 1961.

**Notes to the Standalone Financial Statements for the year ended March 31, 2024****Note 40: Amount paid to Auditors**

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Payments to the Auditors as:</b>		
a) Auditor	4.75	5.30
b) For Other Services	2.59	3.06
c) For Reimbursement of expenses	0.50	0.60
<b>Total</b>	<b>7.84</b>	<b>8.96</b>

**Note 41: Foreign Exchange Difference**

The amount of exchange gain included in the Statement of Profit & Loss is Rs.9.22 Millions (Previous Year: Gain of Rs. 57.89 Millions).

**Note 42: Corporate Social Responsibility**

The Company has spent Rs.24.99 Millions during the current year (Previous Year: Rs. 20.11 Millions) as per provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under Note 30 'Other Expenses'.

a) The Gross amount required to be spent by the Company during the year is Rs.24.99 Millions(Previous Year: Rs. 20.11 Millions)

b) Amount spent during the year on:

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
1 Amount of expenditure incurred :		
(i) Construction/ Acquisition of any Asset	-	-
(ii) On purposes other than (i) above	24.99	20.11
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 43: 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 44: 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

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 44: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### (iii) Subsidiaries:

Name of Subsidiary	Country	% Holding as at March 31, 2024	% Holding as at March 31, 2023
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 LLC	United Arab Emirates	100%	-
Expleo Solutions Inc.	United States of America	100%	100%

#### (iv) Key Management Personnel (KMP):

Ralph Franz Gillessen - Non-Executive Director and Chairman

Prof. K. Kumar - Deputy Chairman & Independent Director (Retired by rotation w.e.f March 31, 2024)

Balaji Viswanathan - Managing Director & CEO

Prof. S. Rajagopalan - Independent Director (Retired by rotation w.e.f March 31, 2024)

Rajiv Kuchhal - Independent Director (Retired by rotation w.e.f March 31, 2024)

Lilian Jessie Paul - Independent Director (Retired by rotation w.e.f March 31, 2024)

Ulrich Bäumer - Independent Director (Retired by rotation w.e.f March 31, 2024)

Rajesh Krishnamurthy - Non-Executive Director

Periakaruppan Palaniappan - Chief Financial Office (w.e.f. Dec 01, 2023)

Phani Tangirala - Senior Director - Sales and Client Management

Prasad Satkar -Senior Management (w.e.f Aug 10, 2023)

Rajesh Kumaraswamy - Senior Management (w.e.f Aug 10, 2023)

Desikan Narayanan - Chief Financial Officer ( Resigned w.e.f Nov 09, 2023)

Prashant Eknath Bramhankar - Director (Non-Executive) (w.e.f. August 11, 2022) & Whole-time Director & COO (w.e.f April 01, 2023) (Resigned w.e.f Nov 09, 2023)

#### (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 Engineering UK Ltd

Expleo Germany GmbH

Expleo Portugal Lda

Expleo Technology Switzerland AG

Expleo Services SASU

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 44: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

Expleo Technology Nordic AB  
Expleo Regions SASU  
Expleo France SASU  
Expleo Maroc SAS  
Expleo Technology Ireland Ltd  
Expleo Finland Oy  
Groupe Expleo Technology Belgium SPRL  
Expleo South Africa (PTY) Ltd  
Expleo South Africa Holding (PTY) Ltd  
Assystem Brime Engineering Consulting (Shanghai) Co. Ltd  
Silver Atena GmbH  
Expleo Iberia S.L.  
Expleo Romania SRL  
Expleo Plastic Solutions  
Expleo Talent International Management SA  
Expleo Canada Inc.  
Moorhouse Consulting Ltd  
Moorhouse Holdings Ltd  
Expleo South Africa International (PTY) Ltd  
Expleo Life Sciences France  
Expleo Australia PTY Ltd  
Expleo Services Canada  
UMS Consulting GmbH & Co. KG  
UMS Management GmbH  
Expleo Israel  
Expleo Italia S.P.A  
Expleo Mexico, S de R.L. de C.V.  
Expleo Germany Holding BV  
Expleo Norway AS  
Expleo Nordic AB  
Expleo Stockholm AB  
Expleo Switzerland SA  
Expleo UK Ltd  
Expleo USA Inc

#### **(viii) Post Employment benefit plan:**

Expleo Solutions Employees' Group Gratuity Scheme  
Expleo India Infosystems Private Limited EGGCLAS Gratuity Fund Account

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 44: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>				
Income from the service rendered	Holding Company	Expleo Technology Germany GmbH	474.62	347.21
	Wholly Owned Subsidiary	Expleo Solutions Pte. Ltd	109.16	82.22
	Wholly Owned Subsidiary	Expleo Solutions UK Ltd	487.36	497.66
	Wholly Owned Subsidiary	Expleo Solutions Inc.	927.47	760.08
	Wholly Owned Subsidiary	Expleo Solutions LLC.	7.76	-
	Fellow Subsidiaries	Expleo Technology UK Ltd	319.47	244.04
	Fellow Subsidiaries	Expleo Netherlands B.V	11.86	8.13
	Fellow Subsidiaries	Expleo Technology USA Inc.	55.28	71.90
	Fellow Subsidiaries	Expleo Group Austria, GmbH	157.62	201.69
	Entities under common control	Expleo Technology Ireland Ltd	543.28	578.82
	Entities under common control	Expleo South Africa (PTY) Ltd	37.52	34.06
	Entities under common control	Expleo Engineering UK Ltd	216.69	69.78
	Entities under common control	Expleo Germany GmbH	344.47	149.78
	Entities under common control	Expleo Portugal, Lda	23.66	2.55
	Entities under common control	Expleo Technology Switzerland AG	-	(0.03)
	Entities under common control	Expleo Services SASU	231.49	77.63
	Entities under common control	Expleo Technology Nordic AB	25.70	1.27
	Entities under common control	Groupe Expleo Technology Belgium SPRL	-	17.19
	Entities under common control	Expleo Regions SASU	34.44	7.48



## Notes to the Standalone Financial Statements for the year ended March 31, 2024

## Note 44: 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, 2024	For the year ended March 31, 2023
	Entities under common control	Silver Atena GmbH	52.85	37.21
	Entities under common control	Expleo Belgium	14.12	-
	Entities under common control	Expleo Romania SRL	3.69	7.04
	Entities under common control	Expleo USA Inc	7.81	-
	Entities under common control	Expleo Talent International Management SA	-	0.20
	Entities under common control	Moorhouse Consulting Ltd	0.47	-
	Entities under common control	Expleo France SASU	664.82	352.23
<b>Expenses</b>				
<b>Managerial remuneration</b>	Key Management Personnel	Balaji Viswanathan	22.06	23.46
	Key Management Personnel	Periakaruppan Palaniappan	6.21	-
	Key Management Personnel	Desikan Narayanan	6.43	8.00
	Key Management Personnel	Phani Tangirala	12.92	12.62
	Key Management Personnel	Prashant Bramhankar	12.10	-
	Key Management Personnel	Prasad Satkar	6.84	-
	Key Management Personnel	Rajesh Kumaraswamy	4.93	-

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 44: 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, 2024	For the year ended March 31, 2023
<b>Directors' Sitting Fees and Commission</b>	Key Management Personnel	Prof. K. Kumar	2.81	2.17
	Key Management Personnel	Prof. S. Rajagopalan	2.73	2.19
	Key Management Personnel	Rajiv Kuchhal	2.71	2.11
	Key Management Personnel	Ulrich Bäumer	2.33	1.71
	Key Management Personnel	Lilian Jessie Paul	2.65	1.95
<b>Expenses for services rendered</b>	Holding Company	Expleo Technology Germany GmbH	0.00	4.42
	Wholly Owned Subsidiary	Expleo Solutions Pte. Ltd	62.95	45.15
	Wholly Owned Subsidiary	Expleo Solutions FZE	295.10	231.21
	Wholly Owned Subsidiary	Expleo Solutions UK Ltd	40.60	168.88
	Wholly Owned Subsidiary	Expleo Solutions LLC.	36.56	-
	Wholly Owned Subsidiary	Expleo Solutions Inc.	376.45	301.44
	Fellow Subsidiaries	Expleo Technology Egypt	16.32	3.22
	Fellow Subsidiaries	Expleo Technology UK Ltd	0.23	-
	Fellow Subsidiaries	Expleo Technology USA Inc.	32.99	-
	Entities under common control	Groupe Expleo Technology Belgium SPRL	364.93	165.22
	Entities under common control	Expleo France SASU	63.12	65.77
	Entities under common control	Expleo Germany GmbH	3.31	-
	Entities under common control	Expleo Group SASU	0.10	-
	Entities under common control	Expleo Romania SRL	4.32	2.31

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

## Note 44: 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, 2024	For the year ended March 31, 2023
	Entities under common control	Expleo Maroc SAS	-	0.86
	Entities under common control	Expleo Portugal Lda	1.56	-
	Entities under common control	Expleo Regions SASU	0.16	-
	Entities under common control	Expleo Iberia S.L.	-	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	1.35	26.50
		Expleo India Infosystems Private Limited EGGCLAS Gratuity Fund Account	-	4.04
<b>Cost Reimbursement Received</b>	Holding Company	Expleo Technology Germany GmbH	0.97	16.93
	Fellow Subsidiaries	Expleo Technology UK Ltd	3.14	16.27
	Fellow Subsidiaries	Expleo Group Austria, GmbH	1.51	1.72
	Fellow Subsidiaries	Expleo Technology USA Inc.	-	0.62
	Fellow Subsidiaries	Expleo Netherlands B.V.	-	0.25
	Fellow Subsidiary	Expleo Technology Egypt	-	0.33
	Entities under common control	Expleo Technology Ireland Ltd	0.26	1.88
	Entities under common control	Expleo Belgium	1.15	-
	Entities under common control	Expleo Engineering UK Ltd	0.05	-
	Entities under common control	Expleo France SASU	0.35	16.20
	Entities under common control	Expleo Germany GmbH	15.61	2.30

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 44: 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, 2024	For the year ended March 31, 2023
	Entities under common control	Expleo Regions SASU	0.97	-
	Entities under common control	Expleo South Africa (PTY) Ltd	-	0.53
	Entities under common control	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd	-	0.08
	Entities under common control	Silver Atena GmbH	0.05	0.23
	Entities under common control	Expleo Iberia S.L.	-	0.69
	Entities under common control	Expleo Maroc SAS	-	0.22
	Entities under common control	Expleo Romania SRL	-	2.77
	Entities under common control	Expleo Technology Nordic AB	0.08	0.17
	Wholly Owned Subsidiary	Expleo Solutions UK Ltd.	-	2.89
	Entities under common control	Expleo Services SASU	6.27	17.02
<b>Cost Reimbursement Paid</b>	Holding Company	Expleo Technology Germany GmbH	6.92	6.76
	Wholly Owned Subsidiary	Expleo Solutions UK Ltd.	-	301.14
	Wholly Owned Subsidiary	Expleo Solutions Inc.	-	4.58
	Fellow Subsidiaries	Expleo Netherlands B.V.	-	0.25
	Fellow Subsidiaries	Expleo Technology Egypt	4.58	-
	Fellow Subsidiaries	Expleo Technology UK Ltd	7.92	9.28
	Entities under common control	Expleo France SASU	134.71	108.20
	Entities under common control	Expleo Services SASU	16.71	40.99

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

## Note 44: 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, 2024	For the year ended March 31, 2023
	Entities under common control	Groupe Expleo Technology Belgium SPRL	0.46	18.85
	Entities under common control	Expleo Romania SRL	-	2.79
	Entities under common control	Expleo Portugal Lda	0.83	-
	Fellow Subsidiaries	Expleo Technology USA Inc.	0.99	-
	Entities under common control	Expleo Technology Ireland Ltd	-	0.38
	Entities under common control	Expleo Engineering UK Ltd	-	0.31
	Entities under common control	Expleo South Africa (PTY) Ltd,	-	5.90
	Entities under common control	Expleo Iberia S.L.	-	2.39
	Entities under common control	Expleo South Africa International (PTY) Ltd	-	1.82

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	As at March 31, 2024	As at March 31, 2023
<b><u>Outstanding Balances</u></b>				
<b>Amounts Receivable from</b>	Holding Company	Expleo Technology Germany GmbH	177.07	70.95
	Wholly Owned Subsidiary	Expleo Solutions UK Ltd.	279.85	60.78
	Wholly Owned Subsidiary	Expleo Solutions Inc.	265.63	188.35
	Wholly Owned Subsidiary	Expleo Solutions Pte. Ltd.	25.97	7.94
	Fellow Subsidiaries	Expleo Group Austria, GmbH	50.96	123.21
	Fellow Subsidiaries	Expleo Technology UK Ltd	29.40	3.04
	Fellow Subsidiaries	Expleo Netherlands B.V.	3.31	3.19
	Fellow Subsidiaries	Expleo Technology USA Inc.	15.12	19.60
	Entities under common control	Expleo Technology Ireland Ltd	78.61	63.49

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 44: 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, 2024	As at March 31, 2023
	Entities under common control	Expleo Technology Switzerland AG	(0.03)	(0.03)
	Entities under common control	Expleo Germany GmbH	160.58	101.75
	Entities under common control	Expleo Belgium	0.43	-
	Entities under common control	Expleo South Africa (PTY) Ltd	17.00	5.32
	Entities under common control	Expleo South Africa Holding (PTY) Ltd	-	(0.58)
	Entities under common control	Expleo France SASU	325.16	193.79
	Entities under common control	Expleo Services SASU	85.28	41.65
	Entities under common control	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd	-	0.28
	Entities under common control	Expleo Maroc SAS	-	0.39
	Entities under common control	Expleo Romania SRL	1.33	7.17
	Entities under common control	Expleo Technology Nordic AB	4.30	0.46
	Entities under common control	Groupe Expleo Technology Belgium SPRL	-	(0.06)
	Entities under common control	Expleo Engineering UK Ltd	118.15	22.54
	Entities under common control	Expleo Portugal Lda	9.83	2.55
	Entities under common control	Expleo Regions SASU	12.79	7.75
	Entities under common control	Expleo Talent International Management SA	0.21	0.20
	Entities under common control	Silver Atena GmbH	5.03	12.16
	Entities under common control	Moorhouse Consulting Ltd	0.47	-
	Entities under common control	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd	0.28	-
	Entities under common control	Expleo USA Inc	5.42	-
	Entities under common control	Expleo Canada Inc.	(0.27)	(0.27)

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

## Note 44: 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, 2024	As at March 31, 2023	
<b>Amounts Payable to</b>	Holding Company	Expleo Technology Germany GmbH	0.02	0.23	
	Wholly Owned Subsidiary	Expleo Solutions LLC.	5.50	-	
	Wholly Owned Subsidiary	Expleo Solutions FZE	106.39	106.73	
	Fellow Subsidiaries	Expleo Technology UK Ltd	-	1.75	
	Fellow Subsidiaries	Expleo Technology Egypt	2.10	2.12	
	Fellow Subsidiaries	Expleo Technology USA Inc.	21.06	-	
	Entities under common control	Groupe Expleo Technology Belgium SPRL	34.61	49.22	
	Entities under common control	Expleo Technology Ireland Ltd	-	0.03	
	Entities under common control	Expleo Germany GmbH	2.90	-	
	Entities under common control	Expleo France SASU	98.22	208.41	
	Entities under common control	Expleo Services SASU	29.46	30.91	
	Entities under common control	Expleo Iberia S.L.	(0.44)	12.26	
	Entities under common control	Expleo South Africa International (PTY) Ltd	-	0.33	
	Entities under common control	Expleo Maroc SAS	-	0.01	
	Entities under common control	Expleo Group SASU	-	3.40	
	Entities under common control	Expleo Regions SASU	0.13	0.31	
	<b>Provision for expenses</b>	Key Management Personnel	Balaji Viswanathan	2.08	6.28
		Key Management Personnel	Periakaruppan Palaniappan	1.23	-
Key Management Personnel		Desikan Narayanan	-	1.15	
Key Management Personnel		Rajesh Kumaraswamy	0.60	-	
Key Management Personnel		Prasad Satkar	0.86	-	
Key Management Personnel		Phani Tangirala	1.22	0.81	

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 44: 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, 2024	As at March 31, 2023
<b>Investments</b>	Key Management Personnel	Prof. K. Kumar	2.25	1.63
	Key Management Personnel	Prof. S. Rajagopalan	2.25	1.63
	Key Management Personnel	Rajiv Kuchhal	2.25	1.63
	Key Management Personnel	Ulrich Bäumer	2.25	1.63
	Key Management Personnel	Lilian Jessie Paul	2.25	1.63
	Wholly Owned Subsidiary	Expleo Solutions Pte. Ltd.	2.66	2.66
	Wholly Owned Subsidiary	Expleo Solutions FZE	8.70	8.70
	Wholly Owned Subsidiary	Expleo Solutions LLC.	3.37	-
	Wholly Owned Subsidiary	Expleo Solutions UK Ltd.	24.17	24.17
	Wholly Owned Subsidiary	Expleo Solutions Inc.	4.62	4.62

#### Details of Compensation paid to KMP

Rs. In Millions

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Employee benefit expenses</b>	Key Management Personnel	Short term benefits	71.48	44.08
		Post employment benefits*	-	-
		Other Long Term benefits *	-	-
		Share based payments	-	-
		<b>Total</b>	<b>71.48</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.



## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 45: 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 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 46: Additional Regulatory requirements

S No.	Ratios	Numerator	Denominator	Current Year	Previous Year
a)	Current Ratio	Total Current assets	Total Current Liabilities	5.18	3.56
b)	Debt-Equity Ratio	Debt consists of lease liabilities	Total equity	0.05	0.06
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	23.51	29.15
d)	Return on Equity Ratio	Profit for the year	Average total equity	15.93%	30.01%
e)	Inventory turnover ratio	Cost of Goods Sold	Average inventory	-	6.45
f)	Trade Receivables turnover ratio	Revenue from Operations	Average Trade receivables	3.77	4.54
g)	Trade payables turnover ratio	Cost of equipment and software licences + Other expenses	Average Trade payables	8.19	5.17
h)	Net capital turnover ratio	Revenue from Operations	Average working capital (i.e. Total current assets less Total current liabilities)	2.55	3.24
i)	Net profit ratio (in %)	Profit for the year	Revenue from Operations	8.41%	13.65%
j)	Return on Capital employed (in %)	Profit before tax and Finance costs	Capital employed = Networth+ Lease liabilities - Deferred tax Assets	19.46%	35.14%
k)	Return on investment (in %)	Income generated from invested funds	Average Invested funds Income in treasury Investments	0.37%	0.00%

#### Foot Note: Reason for variance (exceeding 25%)

- (i) Current Ratio - Decrease in current liabilities towards payable to vendors and is increase in balance of receivable from customers has resulted into net increase in the ratio.
- (ii) Return on Equity Ratio - Decrease is mainly due to reduction in profit for the year.
- (iii) Inventory turnover ratio - There is no average inventory in current financial year.
- (iv) Trade payables turnover ratio - Increase in the ratio is due to reduction in average trade payables in current year.
- (iv) Net profit ratio - Decrease is mainly due to reduction in profit for the year.
- (v) Return on Capital employed - Decrease is mainly due to reduction in profit for the year.
- (vi) Return on investment - Increase is due to new investment in mutual fund made in current year.

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**

**Note 47 : Disclosure made in terms of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Particulars	Name of the Company	Amount outstanding as on March 31, 2024	Rs. In Millions
			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 48: 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 49: Additional Regulatory Information**

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company has not been declared as wilful defaulter by any lender who has the powers to declare a company as wilful defaulter at any time during the financial year or after the end of the reporting period but before the date when financial statements are approved.
- c) The Company has not revalued any of the immovable properties during the year.
- d) The Company has not revalued intangibles during the year.
- e) The Company has complied with the number of layers prescribed under clause 87 of section 2 of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- f) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
  - (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024

### Note 49: Additional Regulatory Information (Contd.)

- g) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding that the Company shall;
- (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- h) There are no approved schemes or arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- i) The Company does not have any transaction recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- j) The Company is not a Section 8 Company and has not received any grants or donations during the year.
- k) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024
- l) There has been no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

### Note 50: Dividend

During the current year the Board of Directors of the Company has not recommended Dividend (Previous year Rs.5/- per equity share of Rs. 10 each)

## 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 23, 2024

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 23, 2024

**PERIAKARUPPAN PALANIAPPAN**

Chief Financial Officer

Place : Chennai, India

Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA

Date : May 23, 2024

## INDEPENDENT AUDITOR'S REPORT

### To the Members Of Expleo Solutions Limited Report on the Audit of the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **Expleo Solutions Limited** (hereinafter referred to as “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, 2024, 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 Ind AS Financial Statements, including a summary of material accounting policies and explanatory information (herein referred to as “the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 Standards) Rules, 2015, as amended, (“Ind AS”) and with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, 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 Ind AS Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note 46 to the consolidated Ind AS financial statements which states the intention of the Board of Directors of the Holding Company to liquidate one of its subsidiaries, namely, Expleo Solutions FZE, pursuant to the decision of the Board of Directors of the Holding Company to incorporate a new wholly owned subsidiary, viz. Expleo Solutions LLC, Dubai and transfer all commercial contracts to the newly incorporated company.

Our opinion is not modified in respect of the above 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 Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS 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
<b>1. Revenue Recognition – Accuracy of recognition of revenue for fixed-price contracts on percentage of completion method involving critical estimates.</b>	
<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 2.2(a) to the Consolidated Ind AS 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. 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>

**Information Other than the Consolidated Ind AS Financial Statements and the Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report including annexures to the Director's Report, the Management Discussion and Analysis, Business Responsibility and Sustainability Report and the Report on Corporate Governance but does not include the consolidated Ind AS financial statements and our auditor's reports thereon. The Director's Report including annexures to the Director's Report, the Business Responsibility and Sustainability Report, the Management Discussion and Analysis and the Report on Corporate Governance is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Directors' Report including annexures to the Director's Report, the Business Responsibility and Sustainability Report, the Management Discussion and Analysis and the Report on Corporate Governance 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.

### **Responsibilities of the Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS 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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

- 1. As required by Section 143(3) of the Act, we report, 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 Ind AS financial statements.



- (b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books except for the matter stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (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 Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the relevant rules issued thereunder.
- (e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the Directors of the Holding Company is disqualified as on March 31, 2024, from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) 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".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, ("the Rules"), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 39 to the consolidated Ind AS 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, as disclosed in the Note 45 to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entity(ies) ("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 Holding 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, as disclosed in the Note 45 to the consolidated Ind AS financial statements, 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

Based on the audit procedures performed by us 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) of the Rules, as provided under (a) and (b) above, contain any material misstatement.

- v. As per information and explanation represented by Management and based on the records of the Company, the dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable, to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below:

Nature of exceptions noted:

Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature.

Details of the exceptions:

- (a) The accounting software (Oracle Netsuite) used for maintenance of books of account of the Holding Company is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness (Type 2 report issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year or whether there were any instances of the audit trail feature been tampered with.
- (b) The Holding Company has outsourced the processing of its payroll to a service organisation, being a third-party vendor, who use its own software to process the payroll. In the absence of any information on existence of audit trail (edit logs) in the Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness (Type 2 report issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organisation) in relation to the software used for processing payroll, we are unable to comment whether audit trail feature of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Rules on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- 2. In our opinion and 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.

3. 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 Ind AS 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 Ind AS 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**

**AVINASH A. RAO**

**PARTNER**

**Membership Number 602312**

**UDIN: 24602312BKFBAO8124**

**Place :** Chennai

**Date :** May 23, 2024

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (g) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Consolidated Ind AS Financial Statements for the year ended March 31, 2024.

### **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 consolidated Ind AS financial statements of Expleo Solutions Limited ("the Holding Company"), as at March 31, 2024 in conjunction with our audit of the consolidated Ind AS 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 Holding 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 Ind AS financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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, 2024, 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 issued by the ICAI.

**For KALYANIWALLA & MISTRY LLP****CHARTERED ACCOUNTANTS****Firm Registration Number 104607W/W100166****AVINASH A. RAO****PARTNER****Membership Number 602312****UDIN: 24602312BKFB AO8124****Place :** Chennai**Date :** May 23, 2024

## Consolidated Balance Sheet as at March 31, 2024

Particulars	Note No.	Rs. In Millions	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	1,063.24	1,152.66
Intangible Assets	3	251.00	267.36
Capital work-in-progress	4	45.44	60.62
<b>Financial Assets</b>			
(i) Other Non-Current Financial Assets	5	38.19	41.55
Deferred Tax Assets (Net)	6	39.55	-
Income Tax Assets (Net)	7	89.58	93.58
Other Non-Current Assets	8	143.57	158.65
<b>Total Non-Current Assets</b>		<b>1,670.57</b>	<b>1,774.42</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
(i) Investments	9	150.28	-
(ii) Trade Receivables	10	2,493.56	2,394.10
(iii) Cash and Cash Equivalents	11	1,761.38	1,525.31
(iv) Bank Balances other than (iii) above	12	79.26	31.78
(v) Loans	13	471.96	466.11
(vi) Other Current Financial Assets	14	402.64	426.04
Other Current Assets	15	617.90	684.52
<b>Total Current Assets</b>		<b>5,976.98</b>	<b>5,527.86</b>
<b>TOTAL ASSETS</b>		<b>7,647.55</b>	<b>7,302.28</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	155.20	155.20
Other Equity	17	5,956.31	5,147.12
<b>Equity attributable to Shareholders of the Company</b>		<b>6,111.51</b>	<b>5,302.32</b>
Non-Controlling interests		-	-
<b>Total Equity</b>		<b>6,111.51</b>	<b>5,302.32</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	18	-	3.93
(ii) Lease Liabilities		209.82	218.76
Deferred Tax Liabilities		-	6.17
Provisions	19	104.26	93.75
Other Non-Current Financial Liabilities	20	185.71	-
<b>Total Non-Current Liabilities</b>		<b>499.79</b>	<b>322.61</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	21	-	0.78
(ii) Lease liabilities		50.74	39.11
(iii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and	22	4.71	1.09
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		272.10	637.30
(iv) Other Current Financial Liabilities	23	463.90	687.93
Other Current Liabilities	24	115.04	133.97
Provisions	25	71.16	30.23
Current Tax Liabilities (Net)	26	58.60	146.94
<b>Total Current Liabilities</b>		<b>1,036.25</b>	<b>1,677.35</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,647.55</b>	<b>7,302.28</b>
<b>Material and Other 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 Balance Sheet and Notes to Consolidated Financial Statements

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS**

**For and on behalf of the Board**

**Firm Regn. No. 104607W/W100166**

**AVINASH A. RAO**

**RALPH FRANZ  
GILLESSEN**  
Chairman

**BALAJI VISWANATHAN**  
Managing Director & CEO

**PERIAKARUPPAN  
PALANIAPPAN**  
Chief Financial Officer

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

Membership Number 602312  
Place : Chennai, India  
Date : May 23, 2024

DIN : 05184138  
Place : Cologne, Germany  
Date : May 23, 2024

DIN : 06771242  
Place : Chennai, India  
Date : May 23, 2024

Place : Chennai, India  
Date : May 23, 2024

ICSI Membership No. F3838  
Place : Ohio, USA  
Date : May 23, 2024

## Consolidated Statement of Profit and Loss for the year ended March 31, 2024

Rs. In Millions

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations	27	9,648.70	9,032.95
Other Income	28	75.13	161.09
<b>Total Income</b>		<b>9,723.83</b>	<b>9,194.04</b>
<b>EXPENSES</b>			
Employee Benefits Expense	29	5,748.37	4,798.88
Cost of material consumed and other direct costs	30	49.84	73.19
Finance Cost	31	26.09	22.56
Depreciation and Amortisation Expense	3	336.66	278.84
Other Expenses	32	2,367.13	2,159.51
<b>Total Expenses</b>		<b>8,528.09</b>	<b>7,332.98</b>
<b>Profit Before Tax</b>		<b>1,195.74</b>	<b>1,861.06</b>
<b>Tax Expense</b>			
Current Tax	6 (b)	331.83	482.98
Deferred Tax (Credit) / Charge	6 (a)	(40.48)	39.20
<b>Profit for the Year</b>		<b>904.39</b>	<b>1,338.88</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plan		(22.76)	22.95
Income tax relating to items that will not be reclassified to profit or loss	6 (c)	5.16	(5.29)
<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>886.79</b>	<b>1,356.54</b>
<b>Attributable to:</b>			
Owners of the Parent		886.79	1,356.54
Non-Controlling interests		-	-
<b>Of the Total Comprehensive Income above, Profit for the year attributable to :</b>			
Owners of the Parent		904.39	1,338.88
Non-Controlling interests		-	-
<b>Of the Total Comprehensive Income above, Comprehensive Income attributable to :</b>			
Owners of the Parent		(17.60)	17.66
Non-Controlling interests		-	-
<b>Earnings per Equity Share (Face value Rs.10/- per share)</b>			
Basic (Rs.)	33	58.27	86.27
Diluted (Rs.)	33	58.27	86.27
<b>Material and Other 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**

**AVINASH A. RAO**

Partner

Membership Number 602312

Place : Chennai, India

Date : May 23, 2024

**RALPH FRANZ GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 23, 2024

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 23, 2024

**PERIAKARUPPAN PALANIAPPAN**

Chief Financial Officer

Place : Chennai, India

Place : Chennai, India

Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA

Date : May 23, 2024

## Consolidated Statement of Changes in Equity for the year ended March 31, 2024

### (a) Equity Share Capital

		Rs. In Millions			
	Balance as at April 1, 2022 (Restated) (Refer Note 43)	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
		Rs. In Millions			
	Balance as at April 1, 2023	Changes in equity share capital due to Prior period errors	Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
	155.20	-	155.20	-	155.20

### (b) Other Equity

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			
Balance as at April 1, 2022 (Restated)	4.61	(1,206.21)	6.69	1.31	251.82	4,732.36	3,790.58	-	3,790.58
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	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	4.61	(1,206.21)	6.69	1.31	251.82	6,088.90	5,147.12	-	5,147.12



**Consolidated Statement of Changes in Equity for the year ended March 31, 2024**

**(b) Other Equity (Contd.)**

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			
<b>Balance as at March 31, 2023</b>	4.61	(1,206.21)	6.69	1.31	251.82	6,088.90	5,147.12	5,147.12	
Profit for the year	-	-	-	-	-	904.39	904.39	904.39	
Remeasurement of post employment benefit obligation, net of tax (OCI)	-	-	-	-	-	(17.60)	(17.60)	(17.60)	
Dividend	-	-	-	-	-	(77.60)	(77.60)	(77.60)	
<b>Total Comprehensive Income for the Year</b>	-	-	-	-	-	809.19	809.19	809.19	
Transfer to General Reserves	-	-	-	-	-	-	-	-	
<b>Balance as at March 31, 2024</b>	4.61	(1,206.21)	6.69	1.31	251.82	6,898.09	5,956.31	5,956.31	

As per our Report of even date. Signatures to the Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS**

**Firm Regn. No. 104607W/W100166**

**AVINASH A. RAO**  
Partner

**Membership Number 602312**  
Place : Chennai, India  
Date : May 23, 2024

**RALPH FRANZ GILLESSEN**  
Chairman

**DIN : 05184138**  
Place : Cologne, Germany  
Date : May 23, 2024

**BALAJI VISWANATHAN**  
Managing Director & CEO

**DIN : 06771242**  
Place : Chennai, India  
Date : May 23, 2024

**PERIAKARUPPAN PALANIAPPAN**  
Chief Financial Officer

**Place : Chennai, India**  
**Date : May 23, 2024**

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

**ICSI Membership No. F3838**  
**Place : Ohio, USA**  
**Date : May 23, 2024**

## Consolidated Statement of Cash Flows for the year ended March 31, 2024

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,195.74</b>	<b>1,861.06</b>
<b>Adjustment for:</b>		
Depreciation and Amortization Expense	336.66	278.84
Profit on sale of Property, Plant and Equipment	1.72	(8.47)
Unrealized forex exchange loss/ (gain) (Net)	34.69	17.01
Interest income	(66.82)	(39.53)
Fair value changes of Mutual Fund	(0.28)	-
Finance Cost	26.09	22.56
Allowance for credit loss	10.35	11.18
Unwinding of discount on security deposits	(2.55)	(0.92)
<b>Operating profit before working capital changes</b>	<b>1,535.60</b>	<b>2,141.73</b>
<b>Adjustment for:</b>		
(Increase) in Trade Receivables	(146.51)	(703.19)
Decrease / (Increase) in Non-Current Financial Assets	10.01	(12.24)
Decrease / (Increase) in Other Current Financial Assets	14.83	(242.19)
Decrease in Inventory	-	22.70
Decrease / (Increase) in Other Current Assets	62.33	(120.29)
Decrease in Other Non-Current Assets	15.08	11.27
(Decrease) in Loan	(5.85)	(273.43)
Increase in Other Non-Current Financial Liabilities	185.71	-
(Decrease) in Trade Payables	(348.15)	(74.40)
(Decrease) / Increase in Other Current Financial Liabilities	(246.90)	124.07
(Decrease) in Other Current Liabilities	(17.95)	(128.29)
Increase/ (Decrease) in Provisions	49.16	(54.72)
<b>Cash generated from operations</b>	<b>1,107.36</b>	<b>691.02</b>
Direct Taxes paid (net of refunds)	(415.22)	(460.21)
<b>Net cash flow from operating activities (A)</b>	<b>692.14</b>	<b>230.81</b>
<b>B. Cash flow from investing activities</b>		
Proceeds from maturity of Fixed Deposits	4,797.98	1,919.09
Investment in bank deposit having maturity greater than 3 months	(4,845.51)	(1,885.93)
Investments in mutual fund	(150.00)	-
Payment for Purchase of Property, Plant and Equipment (Including Capital work in progress and Intangible Assets)	(174.83)	(441.95)
Proceeds from sale of Property, Plant and Equipment	5.08	9.38
Interest received on deposit with banks/ loan to a related party	75.39	39.53
<b>Net cash flow (used in) investing activities (B)</b>	<b>(291.89)</b>	<b>(359.88)</b>
<b>C. Cash flow from financing activities</b>		
Payment of lease liability	(44.88)	(51.46)
Interest paid on Lease liability	(24.42)	(12.34)
Borrowing Repayment	(4.71)	(0.64)
Interest on Borrowings	(0.40)	(1.27)
Dividends paid	(77.60)	-
<b>Net cash (used in) financing activities (C)</b>	<b>(152.01)</b>	<b>(65.71)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A + B + C)</b>	<b>248.24</b>	<b>(194.78)</b>
Effect of changes in exchange rate on Cash and Cash Equivalents	(12.17)	(10.71)
Cash & Cash Equivalents at the beginning of the year	1,525.31	1,730.80
<b>Cash and Cash Equivalents at the end of the year (Refer Note 11)</b>	<b>1,761.38</b>	<b>1,525.31</b>

## Consolidated Statement of Cash Flows for the year ended March 31, 2024 (Contd.)

**Notes:**

1. The above Statement of Cash Flows includes Rs. 24.99 Millions spent (Previous Year: Rs. 20.11 Millions) towards Corporate Social Responsibility (CSR) Activities.
2. 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".
3. Reconciliation of Liabilities arising from Financing Activities:

Rs. In Millions

Particulars	As at April 01, 2023	Changes as per Statement of Cash Flows	Non-Cash Changes/ Fair Value Changes	As at March 31, 2024
Long Term Borrowings	3.93	(3.93)	-	-
Short Term Borrowings	0.78	(0.78)	-	-
	4.71	(4.71)	-	-

Rs. In Millions

Particulars	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
	5.35	(0.64)	-	4.71

4. 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**

**AVINASH A. RAO**

Partner

Membership Number 602312

Place : Chennai, India

Date : May 23, 2024

**RALPH FRANZ GILLESSEN**

Chairman

DIN : 05184138

Place : Cologne, Germany

Date : May 23, 2024

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 23, 2024

**PERIAKARUPPAN PALANIAPPAN**

Chief Financial Officer

Place : Chennai, India

Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA

Date : May 23, 2024

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### 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 and Bombay Stock Exchange 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 to the banking, financial services and insurance industry worldwide. The Company has invested in five wholly owned subsidiaries in Singapore, USA, UK and UAE for market development and service delivery in the respective regions.

Name of the Subsidiary	Country of Incorporation	Percentage of ownership
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 LLC, Dubai	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, 2024 were authorized for issue in accordance with the resolution of the Board of Directors on May 23, 2024.

### Note 2

#### 2.1 Basis for Preparation of Financial Statements

##### 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.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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.

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, Pune, Bengaluru, Coimbatore, Belgium, Phillipines, Malaysia, Israel 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
5. Expleo Solutions LLC, Dubai

### 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 components of the cost of the asset may be capitalised.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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 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.

## 2.2 MATERIAL ACCOUNTING POLICIES

### a) 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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.

- 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.
- ix. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues, comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts, are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed-price contracts is based on milestones as defined in the contract and, therefore, the timing

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled revenues for other fixed-price contracts (contract asset) are classified as non-financial asset because the right to consideration depends on completion of contractual milestones.

### b) 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	2 - 5 years / 99 years
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.

### c) 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.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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 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”.

### d) 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

### e) 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.

## 2.3 OTHER ACCOUNTING POLICIES

### a) Interest Income:

Interest Income is recognised using the effective interest rate method.

### b) Dividend Income:

Dividend income is recognized when the right to receive payment is established.

### c) Other Income:

Other Income is recognized when the right to receive is established.

### d) 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.

### e) 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 / installation are complete and the asset is ready for its intended use

### f) 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.

### g) 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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.

### 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.

### h) Impairment:

#### i) Financial Assets:

The Group assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. 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 twelve-month 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.

#### 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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.

### i) 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 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 35 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.

### j) 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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.

### k) 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.

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.

### l) 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.

### m) 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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.

### n) 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 to share options outstanding account. The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

### o) 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.

### p) 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.

### q) 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.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

- (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.

### Recent accounting pronouncements :

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to the Consolidated Financial Statements as at March 31, 2024

Particulars	GROSS BLOCK			DEPRECIATION and AMORTISATION				NET BLOCK		
	As at April 1, 2023	Additions during the year	Deductions during the year	As at March 31, 2024	Up to March 31, 2023	For the Year	Deductions during the year	Adjustment (Refer Note 3.2 below)	As at March 31, 2024	As at March 31, 2023
<b>a) Property, Plant &amp; Equipment</b>										
Buildings	613.79	16.27	-	630.06	65.54	20.96	-		86.50	548.25
- Owned	333.17	50.31	19.04	364.44	65.55	55.99	19.04		102.50	267.62
- Right of Use Assets (Refer Note 3.1)	53.72	2.26	-	55.98	3.59	1.58	-		5.17	50.13
Leasehold Improvements	78.46	1.19	0.50	79.15	44.22	6.24	0.45		50.01	34.24
Plant and Equipment	24.85	5.06	2.57	27.34	13.29	6.30	2.41		17.18	11.56
Office Equipment	55.42	2.20	1.54	56.08	49.50	4.31	1.54		52.27	5.92
Furniture and Fittings	415.32	73.00	40.67	447.65	191.75	136.01	36.67		291.09	223.57
Computer Equipment	15.27	2.34	8.66	8.95	3.90	3.93	6.15		1.68	11.37
<b>Total Property, Plant &amp; Equipment</b>	<b>1,590.00</b>	<b>152.63</b>	<b>72.98</b>	<b>1,669.65</b>	<b>437.34</b>	<b>235.32</b>	<b>66.26</b>	<b>-</b>	<b>606.39</b>	<b>1,152.66</b>
<b>Previous Year</b>	<b>1,367.64</b>	<b>298.02</b>	<b>75.25</b>	<b>1,590.41</b>	<b>309.38</b>	<b>209.88</b>	<b>74.33</b>	<b>(7.59)</b>	<b>437.34</b>	<b>1,153.07</b>
<b>b) Intangible Assets</b>										
Computer Software and Tools	149.63	0.13	13.79	135.97	72.43	29.63	13.02		89.04	77.20
IP rights	184.13	85.62	-	269.75	41.34	61.69	-		103.03	142.79
Customer Contracts	32.17	-	-	32.17	7.42	8.21	-		15.63	24.75
Goodwill	19.00	-	-	19.00	-	-	-		-	19.00
Non-Compete Fees	5.43	-	-	5.43	1.81	1.81	-		3.62	3.62
<b>Total Intangible Assets</b>	<b>390.36</b>	<b>85.75</b>	<b>13.79</b>	<b>462.32</b>	<b>123.00</b>	<b>101.34</b>	<b>13.02</b>	<b>-</b>	<b>211.32</b>	<b>267.36</b>
<b>Previous Year</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>TOTAL (a +b)</b>	<b>1,980.36</b>	<b>238.38</b>	<b>86.77</b>	<b>2,131.97</b>	<b>560.34</b>	<b>336.66</b>	<b>79.28</b>	<b>-</b>	<b>817.71</b>	<b>1,420.02</b>
<b>Total Previous Year (a+b)</b>	<b>1,439.71</b>	<b>616.69</b>	<b>75.63</b>	<b>1,980.77</b>	<b>356.21</b>	<b>282.27</b>	<b>74.71</b>	<b>(3.43)</b>	<b>560.34</b>	<b>1,420.43</b>

**Note 3.1:** Buildings includes right-of-use assets of Rs. 365.21 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 4.3), 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 previous 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 3.43 Millions.



## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 4: Capital Work-In Progress

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Work-In Progress (CWIP)	45.44	60.62
<b>Total</b>	<b>45.44</b>	<b>60.62</b>

### Note 4.1: Ageing of Capital Work in Progress (CWIP) as at March 31, 2024:

Rs. In Millions

CWIP	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	-	-	6.13	39.31	45.44
Projects temporarily suspended	-	-	-	-	-

### Note 4.2: Ageing of Capital Work in Progress (CWIP) as at March 31, 2023:

Rs. In Millions

CWIP	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. During the current year, the Group has restarted the completion of building and partial space has been put to use.

### Note 5: Other Non Current Financial Assets

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, Considered good</b>		
Fixed Deposits with remaining maturity of more than 12 months (Refer Note 5.1 below)	0.05	-
Security deposit	38.14	41.55
Loans Receivable - credit impaired	-	6.46
Less: Allowance for Doubtful Deposits	-	(6.46)
<b>Total</b>	<b>38.19</b>	<b>41.55</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, 2024

### Note 6: Deferred Tax Assets / Liabilities

#### a) Movement in Deferred Tax Balances

Deferred Tax Asset/(Liabilities) as at March 31, 2024:				Rs. In Millions
Particulars	Net Balance as at April 1, 2023	Movement during the year		Net Balance As at March 31, 2024
		Recognised in Profit and Loss	Recognised in Other Comprehensive Income	
<b>Deferred Tax Assets/ (Liabilities)</b>				
Property, Plant and Equipment	(58.55)	21.33	-	(37.22)
Employee Benefits	49.91	19.57	5.16	74.64
Allowance for expected Credit loss	2.47	(0.42)	-	2.05
<b>Deferred Tax Assets/ (Liabilities)</b>	<b>(6.17)</b>	<b>40.48</b>	<b>5.16</b>	<b>39.55</b>

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 Profit and Loss	Recognised in Other Comprehensive Income	
<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>

#### b) Amounts recognised in the Statement of Profit and Loss

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
<b>Current Income Tax</b>		
Current tax expense for current year	328.47	470.23
Current tax expense pertaining to previous years	3.36	12.75
	331.83	482.98
<b>Deferred Tax Asset (Net)</b>		
Origination and reversal of Tax on Temporary Differences	(40.48)	39.20
<b>Total Tax expense for the year</b>	<b>291.35</b>	<b>522.18</b>

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 6: Deferred Tax Assets / Liabilities (Contd.)

#### c) Amounts recognised in Other Comprehensive Income

Rs. In Millions

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Before Tax	Tax (Expense)/ Benefit	Net of Tax	Before Tax	Tax (Expense)/ Benefit	Net of Tax
Remeasurement of Defined Benefit Liability	(22.76)	5.16	(17.60)	22.95	(5.29)	17.66
	<b>(22.76)</b>	<b>5.16</b>	<b>(17.60)</b>	<b>22.95</b>	<b>(5.29)</b>	<b>17.66</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, 2024	For the year ended March 31, 2023
<b>Profit Before Tax</b>	<b>1195.74</b>	<b>1,861.06</b>
Indian statutory income tax rate	25.168%	25.168%
<b>Expected income tax expense</b>	<b>300.94</b>	<b>468.39</b>
<b>Tax effect of adjustments to reconcile expected Income Tax Expense:</b>		
Tax Effect of Non-Deductible expenses to reported Income Tax Expense	8.84	5.89
Tax Effect of differences in overseas tax rates for foreign branches, subsidiaries and currency translation	(1.59)	(9.85)
Income not chargeable to Tax	(3.12)	(1.84)
Adjustments recognised in current year in relation to tax of prior years	3.36	12.75
Tax Effect of Deductible Temporary Differences	(15.04)	44.07
Others	(2.04)	2.77
<b>Total Income Tax Expense</b>	<b>291.35</b>	<b>522.19</b>

- 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.

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 7 : Income Tax Assets (Net)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax and Tax Deducted at Source (Net)	89.58	93.58
<b>Total</b>	<b>89.58</b>	<b>93.58</b>

(Refer Note 6 for Tax Reconciliations)

### Note 8 : Other Non Current Assets

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	32.75	-
Balances with Government authorities	110.82	158.65
<b>Total</b>	<b>143.57</b>	<b>158.65</b>

### Note 9: Investments

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments carried at fair value through profit and loss</b>		
<b>Investment in funds, quoted</b>		
HSBC Liquid Fund - Direct Growth (units as at March 31, 2024: 62463.10, March 31, 2023: Nil)	150.28	-
<b>Total</b>	<b>150.28</b>	<b>-</b>

### Note 10 : Trade Receivables

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	2,506.74	2,399.17
Trade Receivables which have a significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
Less: Allowance for Credit Loss	(13.18)	(5.07)
<b>Total</b>	<b>2,493.56</b>	<b>2,394.10</b>

Notes to the Consolidated Financial Statements as at March 31, 2024

Note 10 : Trade Receivables (Contd.)

Note 10.1: Ageing of trade receivables as at March 31, 2024 :

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	876.05	1,511.93	71.28	45.27	1.29	0.93	2,506.74
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>876.05</b>	<b>1,511.93</b>	<b>71.28</b>	<b>45.27</b>	<b>1.29</b>	<b>0.93</b>	<b>2,506.74</b>
Less : Allowances for Doubtful Trade receivables							(13.18)
<b>Total</b>							<b>2,493.56</b>

Note 10.2: 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	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	-	-	-	-	-	-	-

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 10 : Trade Receivables (Contd.)

#### Note 10.2: 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	
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>

### Note 11 : Cash and Cash Equivalents

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances With Banks</b>		
in Current Accounts	1,359.94	1,145.26
in Deposit Accounts with original maturity of less than 3 months	401.44	380.01
Cash On Hand	-	0.04
<b>Total</b>	<b>1,761.38</b>	<b>1,525.31</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, 2024	As at March 31, 2023
<b>Balances With Banks</b>		
Earmarked Balances with Banks - Unclaimed Dividend	0.98	1.40
Deposits with original maturity of more than 3 months but less than 12 months (Refer Note 12.1 below)	78.28	30.38
<b>Total</b>	<b>79.26</b>	<b>31.78</b>

**Note 12.1:** Includes deposits under lien with bank towards guarantee issued by the bank on behalf of the Group Rs. 29.46 Millions (Previous Year: Rs. 29.64 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, 2024

### Note 13: Loans (Current)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Dues from Related parties (Refer Note 13.1 below)	471.96	466.11
<b>Total</b>	<b>471.96</b>	<b>466.11</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, 2024	As at March 31, 2023
Security Deposits	32.74	8.40
Interest accrued on fixed deposits	1.62	0.86
Interest accrued on Loan to Related Party	21.32	9.33
Export incentive receivables	-	34.44
Unbilled Revenue	346.96	373.01
<b>Total</b>	<b>402.64</b>	<b>426.04</b>

### Note 15: Other Current Assets

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Considered Good</b>		
Advances to vendors	46.03	102.77
Advances to employees	19.61	6.33
Balances with Government Authorities	203.77	217.56
Prepaid Expenses	93.71	134.88
Unbilled Revenue	254.78	222.98
<b>Total</b>	<b>617.90</b>	<b>684.52</b>

### Note 16 : Equity Share Capital

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<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>		
15,519,739 (Previous Year: 10,252,485) Equity Shares of Rs.10/- each fully paid up	155.20	102.52
<b>c) Shares pending issuance (Refer Note 16.2 below)</b>	-	52.68
<b>Total</b>	<b>155.20</b>	<b>155.20</b>

**Note 16.1:** During the previous year, pursuant to Scheme of Amalgamation, the authorised share capital of the transferor companies stands merged with the Company, and accordingly the authorised share

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 16 : Equity Share Capital (Contd.)

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 shares of Rs 10/-each.

**Note 16.2:** In the current year, pursuant to Scheme of Amalgamation from the previous year, 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, 2024		As at March 31, 2023	
	No. of shares	Rs. In Millions	No. of shares	Rs. In Millions
<b>Equity Shares</b>				
Outstanding at the beginning of the year	1,02,52,485	102.52	1,02,52,485	102.52
Add: Issued during the year	52,67,254	52.68	-	-
Add: Shares pending issuance	-	-	52,67,254	52.68
<b>Outstanding at the end of the year</b>	<b>1,55,19,739</b>	<b>155.20</b>	<b>1,55,19,739</b>	<b>155.20</b>

#### e) Shareholding Information

Particulars	As at March 31, 2024	As at March 31, 2023
	No. of shares	No. of shares
<b>Equity Shares are held by</b>		
Expleo Technology Germany GmbH (Holding Company)	1,10,26,058	57,58,804
	<b>1,10,26,058</b>	<b>57,58,804</b>

#### 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, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
<b>Equity Shares</b>				
Expleo Technology Germany GmbH (Holding Company)	1,10,26,058	71.05%	57,58,804	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.



## Notes to the Consolidated Financial Statements as at March 31, 2024

## Note 16 : Equity Share Capital (Contd.)

## i) Disclosure of Shareholding of Promoters

## Shares held by promoters as at March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH (Holding Company)	1,10,26,058	71.05%	57,58,804	56.17%	91.46%

## Shares held by promoters as at March 31, 2023

Particulars	As at March 31, 2023		As at March 31, 2022		% of Change during the year
	No. of shares	%	No. of shares	%	
Expleo Technology Germany GmbH (Holding Company)	57,58,804	56.17%	57,58,804	56.17%	0.00%

## Note 17: Other Equity

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<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>	(1,206.21)	(1,206.21)
Opening Balance	-	-
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

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 17: Other Equity (Contd.)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>f) Retained Earnings (Refer Note 17.6 below)</b>		
Opening Balance	6,088.90	4,732.36
Profit for the year	904.39	1,338.88
Other Comprehensive Income	(17.60)	17.66
Dividend distributed	(77.60)	-
Closing Balance	6,898.09	6,088.90
<b>Total</b>	<b>5,956.31</b>	<b>5,147.12</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 Scheme of Amalgamation between the Company and Expleo India Infosystems Private Ltd (EIPL) (Transferor Company 1), Expleo Technologies India Private Ltd (ETIPL) (Transferor Company 2), Expleo Engineering India Private Ltd (EEIPL) (Transferor Company 3), and Silver Software Development Centre Private Ltd (SSDC) (Transferor Company 4), in the previous 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 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.

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 18: Borrowings (Non Current)

Rs. In Millions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Indian Rupee Term Loan from a financial institution (Refer Note 18.1 below)	-	3.93
<b>Total</b>	<b>-</b>	<b>3.93</b>

**Note 18.1:** Indian Rupee Loan from a 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. During the current year the Company has preclosed the loan.

### Note 19: Provisions (Non Current)

Rs. In Millions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Compensated absences	78.25	62.00
Gratuity	-	7.99
Long Term Service award	26.01	23.76
<b>Total</b>	<b>104.26</b>	<b>93.75</b>

### Note 20: Other Non-Current Financial Liabilities

Rs. In Millions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Gratuity	185.71	-
<b>Total</b>	<b>185.71</b>	<b>-</b>

### Note 21: Borrowings (Current)

Rs. In Millions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Secured</b>		
Indian Rupee Term Loan from financial institution (Refer Note 18.1)	-	0.78
<b>Total</b>	<b>-</b>	<b>0.78</b>

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 22: Trade payables

#### Note 22.1: Ageing of Trade Payables as at March 31, 2024:

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	4.71		-	-	-	4.71
b)	Undisputed dues - Others	92.42	142.75	35.68	1.21	0.05	272.10
c)	Disputed Dues - MSME	-	-	-	-	-	-
d)	Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>							<b>276.82</b>

#### Note 22.2: 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 22.3: 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, 2024	Relationship with the struck off company
Nil				

As per the information available with the Company, there has been no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year (Previous Year – 0.44 Mn)

## Notes to the Consolidated Financial Statements as at March 31, 2024

### Note 23: Other Current Financial Liabilities

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed dividend (Refer Note 23.1 below)	0.98	1.38
Employee benefits payable	285.98	202.12
Gratuity	-	112.50
Liabilities for other expenses	176.94	371.93
<b>Total</b>	<b>463.90</b>	<b>687.93</b>

**Note 23.1:** 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 24: Other Current Liabilities

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues	82.67	85.08
Unearned Revenue	11.91	48.89
Advance from customers	20.46	-
<b>Total</b>	<b>115.04</b>	<b>133.97</b>

### Note 25: Provisions (Current)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits:</b>		
Compensated Absences	25.30	20.27
Gratuity	1.03	1.51
Long Term Service Award	44.83	8.45
<b>Total</b>	<b>71.16</b>	<b>30.23</b>

### Note 26: Current Tax Liabilities (Net)

Rs. In Millions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Tax (Net)	58.60	146.94
<b>Total</b>	<b>58.60</b>	<b>146.94</b>

(Refer Note 6 for Tax Reconciliations)

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 27: Revenue from Operations

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from Contracts with Customers</b>		
Software Services (Refer Note 27.1 below)	9,581.43	9,032.95
Sale of Product	67.27	-
<b>Total</b>	<b>9,648.70</b>	<b>9,032.95</b>

#### Note 27.1: 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, 2024 and March 31, 2023 by contract type. The Group believe 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, 2024	For the year ended March 31, 2023
Fixed Bid	2,622.63	2,569.93
Time & Material	7,026.07	6,463.02
<b>Total</b>	<b>9,648.70</b>	<b>9,032.95</b>

The Group 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 41 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.11.91 Millions (Previous Year: Rs.48.89 Millions) recognised in contract liabilities as at April 1, 2023 has been recognised as revenue for the year ended March 31, 2024.
- 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. 8.48 Millions (Previous Year: Rs. 92.68 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 Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 27: Revenue from Operations (Contd.)

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 Contracted with Customers

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with customers (as per the Statement of Profit and Loss)	9,648.70	9,032.95
Add: Discounts	37.76	50.97
<b>Revenue as per contracted price with the customers</b>	<b>9,686.46</b>	<b>9,083.92</b>

### Note 28: Other Income

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income		
On Fixed deposits and others	25.79	18.37
On Loan to related party	41.03	21.17
On Other financial assets carried at amortised cost	2.55	0.92
Profit on Sale of Property Plant and Equipment	-	8.47
Provision no longer required written back	-	3.04
Fair Value on mutual fund	0.28	-
Provision for expected credit loss written back	-	0.22
Net foreign exchange gain	5.43	107.17
Government Grant	-	0.51
Miscellaneous Income	0.05	1.22
<b>Total</b>	<b>75.13</b>	<b>161.09</b>

### Note 29: Employee Benefit Expense

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	5,366.89	4,441.32
Contribution to provident and other funds (Refer Note 34 (b) (i))	268.31	231.01
Gratuity expense (Refer Note 34 (b) (ii))	53.17	51.84
Staff welfare expense	60.00	74.71
<b>Total</b>	<b>5,748.37</b>	<b>4,798.88</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 30: Cost of material consumed and other direct costs

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase and other direct costs	48.78	71.68
Freight, Clearing and Other Expenses	1.06	1.51
<b>Total</b>	<b>49.84</b>	<b>73.19</b>

### Note 31: Finance Cost

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Loan	0.40	1.27
Interest on Income Tax	1.27	8.95
Interest on Lease liability	24.42	12.34
<b>Total</b>	<b>26.09</b>	<b>22.56</b>

### Note 32: Other Expenses

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Travel and conveyance	285.97	194.94
External Consultant Costs	1,204.71	1,241.44
Sales commission	24.69	21.16
Professional fees	82.93	89.77
Software expenses	280.89	250.70
Rent expenses for Short term and low value leased assets	22.82	9.35
Marketing and selling expenses	34.76	57.13
Repairs & maintenance		
Buildings	64.61	50.12
Plant and machinery	4.19	6.11
Others	17.57	13.38
Power and fuel	38.80	31.85
Rates and taxes	31.90	9.90
Loss on sale of Property, Plant & Equipment	1.72	-
Communication expenses	11.52	0.76
Commission to independent directors	11.24	8.13
Insurance	137.30	76.07
Training and recruitment	46.54	35.10
Corporate social responsibility expense	24.99	20.11
Audit fees	7.84	12.84
Directors sitting fees	1.98	1.98
Allowance for credit loss	9.72	4.45
Bad debts written off	0.40	6.96
Miscellaneous expenses	20.04	17.26
<b>Total</b>	<b>2,367.13</b>	<b>2,159.51</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

## Note 33: 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, 2024	For the year ended March 31, 2023
Profit for the year, attributable to equity shareholders of the Company	904.39	1,338.88
<b>Total</b>	<b>904.39</b>	<b>1,338.88</b>

## (ii) Weighted average number of equity shares (basic)

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of equity shares at the beginning of the year	1,55,19,739	1,55,19,739
<b>Total weighted average number of equity shares for calculating basic EPS</b>	<b>1,55,19,739</b>	<b>1,55,19,739</b>
<b>Earnings per Share - Basic (in Rs.) (Face value Rs. 10/- per share)</b>	<b>58.27</b>	<b>86.27</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, 2024	For the year ended March 31, 2023
Profit for the year, attributable to equity shareholders of the Company	904.39	1,338.88
<b>Total</b>	<b>904.39</b>	<b>1,338.88</b>

## (ii) Weighted average number of equity shares (diluted)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average number of equity shares outstanding (basic)	1,55,19,739	1,55,19,739
Weighted average number of equity shares for calculating diluted EPS	<b>1,55,19,739</b>	<b>1,55,19,739</b>
<b>Earnings per Share - Diluted (in Rs.) (Face value Rs. 10/- per share)</b>	<b>58.27</b>	<b>86.27</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 34 : 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.

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Liability at the beginning of the year</b>	82.27	111.46
Leave salary cost accounted for the year (Net)	21.28	(29.19)
<b>Total liability as at the end of the year</b>	<b>103.55</b>	<b>82.27</b>

**Note 34.1:** Refer Note 19 for Long term benefits and Note 25 for Short term benefits.

#### b) Post-employment obligations

##### (i) Defined contribution plan - Provident fund & Social Security Schemes

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution accounted for the year (Includes Employees' Deposit Link Insurance Scheme (EDLI) charges and Employer's contribution to Employees' Pension Scheme, 1995)	228.39	200.15
Social Security contribution in respect of employees based outside India	39.92	30.86
<b>Total</b>	<b>268.31</b>	<b>231.01</b>

##### (ii) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972 and for employees in Dubai.

The Company offers gratuity benefits, a defined employee benefit scheme to its employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

The fund is managed by LIC, the fund manager. However, the said funds are subject to Market risk (such as interest risk, investment risk, etc.). The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

For the Employees in Dubai, 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.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**

**Note 34 : Disclosure as required under Ind AS 19 'Employee Benefits' (Contd.)**

**Defined Benefit Plan - Gratuity**

**Rs. In Millions**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<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>261.22</b>	<b>260.76</b>
Interest cost	16.75	15.00
Current service cost	46.60	46.78
Past Service Cost	-	(1.94)
Benefits paid	(34.51)	(37.76)
Actuarial (Gain)/ Loss on obligations- due to change in demographic assumptions	-	(4.56)
Actuarial (Gain)/ Loss on obligations- due to change in financial assumptions	1.25	(2.57)
Actuarial (Gain)/ Loss on obligations- due to change in experience	25.86	(15.22)
Exchange gain/loss	0.14	0.73
<b>Present value of obligation as at end of the year</b>	<b>317.30</b>	<b>261.22</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>139.22</b>	<b>132.70</b>
Expected return on plan assets	10.18	8.01
Contributions made	1.35	30.54
Benefits paid	(24.55)	(32.63)
Return on plan assets, excluding amounts included in interest (expense)/ income	4.36	0.60
<b>Fair value of plan assets at the end of the year</b>	<b>130.56</b>	<b>139.22</b>
<b>iii) Amount recognized in the Balance Sheet</b>		
Present value of the obligation as at end of the year	317.30	261.22
Less : Fair value of plan assets as at end of the year	130.56	139.22
Net obligation as at end of the year	186.74	122.00
<b>Amount recognized in the Balance Sheet</b>	<b>186.74</b>	<b>122.00</b>
Net liability recognized - Current	-	114.01
Net liability recognized - Non-current (Refer Note 34.2(i) below)	186.74	7.99
<b>iv) Expenses recognized in the Statement of Profit and Loss for the year</b>		
Current service cost	46.60	46.78
Past service cost	-	(1.94)
Net Interest on Net Defined benefit obligations	16.75	15.01
Interest (income) on plan assets	(10.18)	(8.01)
<b>Total expense included in employee benefit expenses</b>	<b>53.17</b>	<b>51.84</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 34 : Disclosure as required under Ind AS 19 'Employee Benefits' (Contd.)

#### Defined Benefit Plan - Gratuity

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<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	1.25	(2.57)
Actuarial (Gain)/ Loss on obligations - due to change in experience	25.86	(15.22)
Remeasurement - (return)/ loss on plan assets excluding amount included in net interest income	(4.36)	(0.60)
<b>Recognized in Other Comprehensive (Income)/loss</b>	<b>22.76</b>	<b>(22.95)</b>
<b>vi) Actuarial assumptions</b>		
Discount rate - Current	7.18%	7.31%
Expected rate of return on plan assets	7.18%	7.31%
Salary Escalation - Current	10.00%	10.00%
Attrition rate	25.00%	25.00%
Discount rate for Expleo Solutions FZE	4.57%	3.81%
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 34.2 (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	311.43	256.46
Delta effect of -0.5% Change in Rate of discounting	323.39	266.12
Delta effect of +0.5% Change in Rate of Salary Escalation	323.18	265.21
Delta effect of -0.5% Change in Rate of Salary Escalation	311.53	257.26
Delta effect of +0.5% Change in Rate of Employee turnover	315.88	260.20
Delta effect of -0.5% Change in Rate of Employee turnover	318.73	262.22
Methodology adopted for asset liability management (ALM)	Projected Unit Credit Method	Projected Unit Credit Method

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**

**Note 34 : Disclosure as required under Ind AS 19 'Employee Benefits' (Contd.)**

**Defined Benefit Plan - Gratuity**

Rs. In Millions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>viii) Maturity profile of defined benefit obligation</b>		
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, 2024	For the year ended March 31, 2023
1st Following year	63.71	55.88
2nd Following year	56.52	47.04
3rd Following year	53.26	42.04
4th Following Year	51.46	38.67
5th Following year	43.77	35.01
Sum of 6 to 10 years	131.50	103.73
10 years and above	87.59	44.21
<b>ix) Category of Plan assets</b>		
Funds managed by the Insurer	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.		

**Note 34.2 :**

- (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) In the previous year Bengaluru and Dubai subsidiary was partially unfunded liability. In the current year Dubai location is unfunded.

**Note 35 : 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.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 35 : Financial Instruments (Contd.)

Rs. In Millions

As at March 31, 2024	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	-	-	38.14	38.14	-	-	-	-
Other non-current Financial Assets - Fixed Deposits with remaining maturity of more than 12 months	-	-	0.05	0.05	-	-	-	-
Investments	150.28	-	-	150.28	150.28	-	-	150.28
Trade receivables	-	-	2,493.56	2,493.56	-	-	-	-
Cash and cash equivalents	-	-	1,761.38	1,761.38	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	79.26	79.26	-	-	-	-
Security deposits - current	-	-	32.74	32.74	-	-	-	-
Loan given to Related Party	-	-	471.96	471.96	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Interest accrued on fixed deposits	-	-	1.62	1.62	-	-	-	-
Unbilled Revenue	-	-	346.96	346.96	-	-	-	-
<b>Total</b>	<b>150.28</b>	<b>-</b>	<b>5,246.99</b>	<b>5,397.27</b>	<b>150.28</b>	<b>-</b>	<b>-</b>	<b>150.28</b>
<b>Financial Liabilities:</b>								
Borrowings - Non Current	-	-	-	-	-	-	-	-
Borrowings - Current	-	-	-	-	-	-	-	-
Lease Liability - Non Current	-	-	209.82	209.82	-	-	-	-
Lease Liability - Current	-	-	50.74	50.74	-	-	-	-
Trade payables	-	-	276.82	276.82	-	-	-	-
Other current financial liabilities	-	-	463.90	463.90	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,001.28</b>	<b>1,001.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**

**Note 35 : 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 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>1,588.90</b>	<b>1,588.90</b>	-	-	-	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 35 : Financial Instruments (Contd.)

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 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. 5,208.80 Millions (Previous Year: Rs. 4,884.89 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.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 35 : Financial Instruments (Contd.)

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 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, 2024	As at March 31, 2023
Trade Receivables from a major customer	297.11	-
Percentage of Trade Receivables from a major customer	11.85%	0.00%

The movement in the expected credit loss allowance is as follows:

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	5.07	0.85
Impairment loss provision created	9.72	4.22
Provision reversed for actual write off	(1.60)	-
<b>Balance at end of the year</b>	<b>13.18</b>	<b>5.07</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, 2024

### Note 35 : Financial Instruments (Contd.)

#### b) Exposure in Foreign Currency (FCY) - Unhedged

Particulars	FCY	As at March 31, 2024		As at March 31, 2023	
		Amount in FCY (in Millions)	Amount in Rs. (in Millions)	Amount in FCY (in Millions)	Amount in Rs. (in Millions)
Trade Receivables	GBP	0.84	88.79	0.73	74.56
Trade Receivables	USD	6.30	525.56	8.38	688.62
Trade Receivables	EUR	15.13	1,364.86	12.81	1,147.94
Cash and Cash Equivalents	GBP	1.34	140.81	1.68	170.80
Cash and Cash Equivalents	USD	4.63	385.59	4.46	366.48
Cash and Cash Equivalents	EUR	6.71	605.81	3.56	322.47
Loans	GBP	1.00	105.29	1.00	101.87
Loans	USD	1.40	116.72	1.40	115.11
Loans	EUR	1.40	126.31	1.40	125.45
Other Current Financial Assets	GBP	0.36	38.05	0.26	26.21
Other Current Financial Assets	USD	0.84	69.93	0.81	66.27
Other Current Financial Assets	EUR	2.22	199.85	2.77	248.23
Trade Payables	GBP	0.27	28.88	0.56	56.91
Trade Payables	USD	0.35	29.40	0.12	9.95
Trade Payables	EUR	1.97	177.35	4.09	366.11
Other Current Financial Liabilities	GBP	0.06	6.22	0.05	5.12
Other Current Financial Liabilities	USD	0.20	16.47	0.24	19.41
Other Current Financial Liabilities	EUR	0.46	41.44	1.17	105.14

#### Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

#### Sensitivity Analysis

Rs. In Millions

Particulars	Impact on profit after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>GBP Sensitivity</b>		
INR/GBP - Increased by *	16.89	15.57
INR/GBP - decreased by *	(16.89)	(15.57)
<b>USD Sensitivity</b>		
INR/USD - Increased by *	52.60	60.36
INR/USD - decreased by *	(52.60)	(60.36)
<b>EUR Sensitivity</b>		
INR/EUR - Increased by *	103.90	68.64
INR/EUR - decreased by *	(103.90)	(68.64)

\* Holding all other variables constant

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**

**Note 35 : 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, 2024	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	-	-	-	-	-	-
Lease Liability	209.82	209.82	-	57.07	124.42	28.33
<b>Current</b>						
Borrowings	-	-	-	-	-	-
Lease Liabilities	50.74	50.74	50.74	-	-	-
Trade Payables	276.82	276.82	239.88	35.68	1.26	-
Other Current Financial Liabilities	463.90	463.90	463.90	-	-	-

**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>						
Borrowing	3.93	3.93	-	0.92	3.01	-
Lease Liability	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	560.36	65.55	12.48	-
Other Current Financial Liabilities	687.93	687.93	687.93	-	-	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 36 : 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 37 : 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, 2024	As at March 31, 2023
<b>Current Financial Assets</b>		
<b>First Charge</b>		
Current Assets - Fixed deposits with Banks	29.47	30.52
<b>Total assets pledged as security</b>	<b>29.47</b>	<b>30.52</b>

### Note 38: 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, 2024 is Rs. 74.53 Millions (Previous Year: Rs.128.01 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. 22.82 Millions (Previous Year: Rs. 9.35 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, 2024	As at March 31, 2023
Opening Liability	257.87	141.74
Additions towards new leased properties	47.57	158.74
Less : Deletions of Lease liability during the year	-	-
Interest expenses	24.42	12.34
Payment of Lease Liabilities	(69.30)	(54.95)
<b>Closing Liability</b>	<b>260.56</b>	<b>257.87</b>

The Lease Liabilities as at March 31, 2024 amounting to Rs. 260.56 Millions (Previous Year: Rs. 257.87 Millions) comprises of Non-Current Lease liabilities of Rs.209.82 Millions (Previous Year: Rs.218.76 Millions) and current lease liability of Rs. 50.74 Millions (Previous Year: Rs. 39.11 Millions). The contractual maturities of lease liabilities as of March 31, 2024 is disclosed in Note 35.

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, 2024

## Note 39 : Contingent Liabilities and Commitments

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
<b>a) Contingent Liabilities</b>		
(i) Claims against the Company not acknowledged as debt:		
Service Tax related matters	826.12	829.39
VAT Related Matters	0.28	0.28
Income Tax related matters	167.93	230.77
(ii) Guarantees		
Counter Guarantees issued to the bank	17.52	4.22
<b>b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	65.62	43.85

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 its position to be upheld by the Authorities in respect of both the demands.

During the FY 2019-20, 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.

During FY 2023-24, the company received a show cause notice from the Additional Commissioner of Central Goods and Service Tax Audit -1 Commissioner in Pune regarding objections raised against submissions made during FY 2019-20. The objection concerning procedures followed regarding SEZ status, specifically the discharge of service tax liability related to services received from non-taxable territories.

The issue raised by the Joint Commissioner (JC) pertains to a service tax demand for SEZ exemption non-payment amounting to Rs. 32.40 million. This relates to import of services under reverse charge basis (as the recipient of services) for onsite services received by the company from non-taxable territories during FY 2014-15 to FY 2017-18. The company has filed an appeal and made payment under protest Rs. 0.81 Million, based on legal advice from its tax consultant. 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 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 39 : Contingent Liabilities and Commitments (Contd.)

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 paid under protest Rs.73.99 Millions (after adjusting the refund of Rs.13.36 Millions related to earlier years). 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. Furthermore, during the current financial year, the company received a notice for Financial Year 2020-21 (Assessment Year 2021-22) with a tax demand of Rs. 52.15 Millions. The company has already filed an appeal before CIT(A) and obtained stay petition for the same.

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 Rs.27.90 Millions only for the issue pertaining to Section 10A of the Income Tax Act, 1961.

### Note 40 : Foreign Exchange Difference

The amount of exchange gain included in the Statement of Profit & Loss is Rs. 8.36 Millions (Previous Year: gain of Rs. 107.17 Millions).

### Note 41 : 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.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 41 : Segment Information (Contd.)

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:

Rs. In Millions		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sales revenue by geographical market</b>		
Within India	1,425.57	2,238.57
Outside India	8,223.13	6,794.38
<b>Total</b>	<b>9,648.70</b>	<b>9,032.95</b>

Rs. In Millions		
Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current Assets other than financial instruments and deferred tax assets by geographical market</b>		
Within India	1,555.46	1,650.67
Outside India	37.37	82.20
<b>Total</b>	<b>1,592.83</b>	<b>1,732.87</b>

Rs. In Millions		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from major customers</b>		
Customers individually contributing more than 10% of total revenue	-	-
Other Customers	9,648.70	9,032.95
<b>Total</b>	<b>9,648.70</b>	<b>9,032.95</b>

### Note 42: 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 (Retired by rotation w.e.f March 31, 2024)

Balaji Viswanathan - Managing Director & CEO

Prof. S. Rajagopalan - Independent Director (Retired by rotation w.e.f March 31, 2024)

Rajiv Kuchhal - Independent Director (Retired by rotation w.e.f March 31, 2024)

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 42: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

Lilian Jessie Paul - Independent Director (Retired by rotation w.e.f March 31, 2024)

Ulrich Bäumer - Independent Director (Retired by rotation w.e.f March 31, 2024)

Periakaruppan Palaniappan - Chief Financial Office (w.e.f. December 01, 2023)

Rajesh Krishnamurthy - Non-Executive Director (w.e.f. August 26, 2021)

Phani Tangirala - Senior Director - Sales and Client Management

Prasad Satkar -Senior Management (w.e.f Aug 10, 2023)

Rajesh Kumaraswamy - Senior Management (w.e.f Aug 10, 2023)

Stephen Magennis - Director

N Sriram - Director (Resigned w.e.f May 02, 2024)

Anup Ranjan Sabat - Director

Rizwan Shaikhmohammed - Director

Keith Korsi - Director

Prashant Eknath Bramhankar - Director (Non-Executive) (w.e.f. August 11, 2022) & Whole-time Director & COO (w.e.f April 01, 2023) (Resigned w.e.f Nov 09, 2023)

Desikan Narayanan - Chief Financial Officer ( Resigned w.e.f November 09, 2023)

#### (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 Engineering UK Ltd

Expleo Germany GmbH

Expleo Portugal Lda

Expleo Technology Switzerland AG

Expleo Services SASU

Expleo Technology Nordic AB

Expleo Regions SASU

Expleo France SASU

Expleo Maroc SAS

Expleo Technology Ireland Ltd

Expleo Finland Oy

Groupe Expleo Technology Belgium SPRL

Expleo South Africa (PTY) Ltd



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 42: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

Expleo South Africa Holding (PTY) Ltd  
Assystem Brime Engineering Consulting (Shanghai) Co. Ltd  
Silver Atena GmbH  
Expleo Iberia S.L.  
Expleo Romania SRL  
Expleo Plastic Solutions  
Expleo Talent International Management SA  
Expleo Canada Inc.  
Moorhouse Consulting Ltd  
Moorhouse Holdings Ltd  
Expleo South Africa International (PTY) Ltd  
Expleo Canada  
Expleo Life Sciences France  
Expleo Australia PTY Ltd  
Expleo Services Canada  
UMS Consulting GmbH & Co. KG  
UMS Management GmbH  
Expleo Israel  
Expleo Italia S.P.A  
Expleo Mexico, S de R.L. de C.V.  
Expleo Germany Holding BV  
Expleo Norway AS  
Expleo Nordic AB  
Expleo Stockholm AB  
Expleo Switzerland SA  
Expleo UK Ltd  
Expleo USA Inc  
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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 42: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### b) Transactions with Related Parties

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>				
<b>Income from the services rendered</b>	Holding Company	Expleo Technology Germany GmbH	474.62	347.21
	Fellow Subsidiaries	Expleo Technology UK Ltd	363.72	325.02
	Fellow Subsidiaries	Expleo Netherlands B.V.	11.86	8.13
	Fellow Subsidiaries	Expleo Technology USA Inc	87.03	146.54
	Fellow Subsidiaries	Expleo Group Austria, GmbH	157.62	201.69
	Entities under common control	Expleo Technology Ireland Ltd	543.28	578.82
	Entities under common control	Expleo South Africa (PTY) Ltd	37.52	34.06
	Entities under common control	Expleo Engineering UK Ltd	216.69	69.78
	Entities under common control	Expleo Germany GmbH	344.47	149.78
	Entities under common control	Expleo Portugal, Lda	23.66	2.55
	Entities under common control	Expleo Technology Switzerland AG	-	(0.03)
	Entities under common control	Expleo Services SASU	231.49	77.63
	Entities under common control	Expleo Technology Nordic AB	25.70	1.27
	Entities under common control	Groupe Expleo Technology Belgium SPRL	-	17.19
	Entities under common control	Expleo Regions SASU	34.44	7.48
	Entities under common control	Silver Atena GmbH	52.85	37.21
	Entities under common control	Groupe Expleo Technology Belgium SPRL	14.12	-
	Entities under common control	Expleo Romania SRL	3.69	7.04
	Entities under common control	Expleo USA Inc	7.81	-
	Entities under common control	Expleo Talent International Management SA	-	0.20
	Entities under common control	Moorhouse Consulting Ltd	0.47	-
	Entities under common control	Expleo France SASU	664.82	352.23

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**

**Note 42: 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, 2024	For the year ended March 31, 2023
<b>Interest income on loan given</b>	Entities under common control	Expleo Services SASU	41.03	21.17
<b>Expenses</b>				
<b>Managerial remuneration</b>	Key Management Personnel	Balaji Viswanathan	22.06	23.46
	Key Management Personnel	Periakaruppan Palaniappan	6.21	-
	Key Management Personnel	Desikan Narayanan	6.43	8.00
	Key Management Personnel	Phani Tangirala	12.92	12.62
	Key Management Personnel	Prashant Bramhankar	12.10	-
	Key Management Personnel	Prasad Satkar	6.84	-
	Key Management Personnel	Rajesh Kumaraswamy	4.93	-
<b>Director's Sitting Fees and Commission</b>	Key Management Personnel	Prof. K. Kumar	2.81	2.17
	Key Management Personnel	Prof. S. Rajagopalan	2.73	2.19
	Key Management Personnel	Rajiv Kuchhal	2.71	2.11
	Key Management Personnel	Ulrich Bäumer	2.33	1.71
	Key Management Personnel	Lilian Jessie Paul	2.65	1.95
<b>Expenses for services rendered</b>	Holding Company	Expleo Technology Germany GmbH	-	4.42
	Fellow Subsidiaries	Expleo Technology Egypt	16.32	3.22
	Fellow Subsidiaries	Expleo Technology UK Ltd	95.10	-
	Fellow Subsidiaries	Expleo Technology USA Inc	32.99	-
	Entities under common control	Groupe Expleo Technology Belgium SPRL	364.93	165.22
	Entities under common control	Expleo France SASU	63.12	65.77
	Entities under common control	Expleo Germany GmbH	3.31	-
	Entities under common control	Expleo Group SASU	0.10	-
	Entities under common control	Expleo Romania SRL	19.65	2.31

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 42: 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, 2024	For the year ended March 31, 2023
	Entities under common control	Expleo Maroc SAS	-	0.86
	Entities under common control	Expleo Technology Ireland Ltd	0.08	-
	Entities under common control	Expleo Portugal Lda	1.56	-
	Entities under common control	Expleo Regions SASU	0.16	-
	Entities under common control	Expleo Iberia S.L.	110.30	-
	Entities under common control	SQS Calidad Informatica Profesional SL	-	0.01
	Entities under common control	Expleo Portugal, Lda	55.78	-
	Entities under common control	Expleo Iberia S.L.	-	9.12
<b><u>Other Transactions</u></b>				
<b>Loan Given</b>	Entities under common control	Expleo Services SASU	-	250.68
<b>Contribution paid to the Group Gratuity Scheme</b>	Post employment benefit plan	Expleo Solutions Employees' Group Gratuity Scheme	1.35	26.50
		Expleo India Infosystems Private Limited EGGCLAS Gratuity Fund Account	-	4.04
<b>Cost Reimbursement Received</b>	Holding Company	Expleo Technology Germany GmbH	0.97	16.93
	Fellow Subsidiaries	Expleo Technology UK Ltd	3.14	16.27
	Fellow Subsidiary	Expleo Group Austria, GmbH	1.51	1.72
	Fellow Subsidiaries	Expleo Technology USA Inc	-	0.62
	Fellow Subsidiaries	Expleo Netherlands B.V.	-	0.25
	Fellow Subsidiaries	Expleo Technology Egypt	-	0.33
	Entities under common control	Expleo Technology Ireland Ltd	0.26	1.88
	Entities under common control	Groupe Expleo Technology Belgium SPRL	1.15	-
	Entities under common control	Expleo Engineering UK Ltd	0.05	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 42: 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, 2024	For the year ended March 31, 2023
	Entities under common control	Expleo France SASU	0.35	16.20
	Entities under common control	Expleo Germany GmbH	15.61	2.30
	Entities under common control	Expleo Regions SASU	0.97	-
	Entities under common control	Expleo South Africa (PTY) Ltd	-	0.53
	Entities under common control	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd	-	0.08
	Entities under common control	Silver Atena GmbH	0.05	0.23
	Entities under common control	Expleo Iberia S.L.	-	0.69
	Entities under common control	Expleo Maroc SAS	-	0.22
	Entities under common control	Expleo Romania SRL	-	2.77
	Entities under common control	Expleo Technology Nordic AB	0.08	0.17
	Entities under common control	Expleo Services SASU	6.27	17.02
<b>Cost Reimbursement Paid</b>	Holding Company	Expleo Technology Germany GmbH	9.05	11.41
	Fellow Subsidiaries	Expleo Netherlands B.V.	-	0.65
	Fellow Subsidiaries	Expleo Technology Egypt	4.58	-
	Fellow Subsidiaries	Expleo Technology UK Ltd	26.30	28.00
	Fellow Subsidiaries	Expleo Technology USA Inc	-	1.55
	Entities under common control	Expleo France SASU	134.71	108.20
	Entities under common control	Expleo Services SASU	16.71	40.99
	Entities under common control	Groupe Expleo Technology Belgium SPRL	0.46	18.85

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 42: 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	
			For the year ended March 31, 2024	For the year ended March 31, 2023
	Entities under common control	Expleo Romania SRL	0.55	3.47
	Entities under common control	Expleo Portugal Lda	1.12	-
	Fellow Subsidiaries	Expleo Technology USA Inc	2.65	-
	Entities under common control	Expleo Technology Ireland Ltd	0.15	0.38
	Entities under common control	Expleo Engineering UK Ltd	-	0.31
	Entities under common control	Expleo South Africa (PTY) Ltd	0.98	7.50
	Entities under common control	Expleo Iberia S.L.	0.05	2.39
	Entities under common control	Expleo South Africa International (PTY) Ltd	-	1.82

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			As at March 31, 2024	As at March 31, 2023
<b>Outstanding Balances</b>				
<b>Amounts Receivable from</b>	Holding Company	Expleo Technology Germany GmbH	177.07	70.95
	Fellow Subsidiary	Expleo Group Austria, GmbH	50.96	123.21
	Fellow Subsidiaries	Expleo Technology UK Ltd	34.12	3.04
	Fellow Subsidiaries	Expleo Netherlands B.V.	3.31	3.19
	Fellow Subsidiaries	Expleo Technology USA Inc	19.17	19.60
	Entities under common control	Expleo Technology Ireland Ltd	78.61	63.49
	Entities under common control	Expleo Technology Switzerland AG	(0.03)	(0.03)
	Entities under common control	Expleo Germany GmbH	160.58	101.75
	Entities under common control	Groupe Expleo Technology Belgium SPRL	0.43	-
	Entities under common control	Expleo South Africa (PTY) Ltd	17.00	5.32
	Entities under common control	Expleo South Africa Holding (PTY) Ltd	-	(0.58)
	Entities under common control	Expleo France SASU	325.16	193.79

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**

**Note 42: 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, 2024	As at March 31, 2023
	Entities under common control	Expleo Services SASU	85.28	41.65
	Entities under common control	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd	-	0.28
	Entities under common control	Expleo Maroc SAS	-	0.39
	Entities under common control	Expleo Romania SRL	1.33	7.17
	Entities under common control	Expleo Technology Nordic AB	4.30	0.46
	Entities under common control	Groupe Expleo Technology Belgium SPRL	-	(0.06)
	Entities under common control	Expleo Engineering UK Ltd	118.15	22.54
	Entities under common control	Expleo Portugal, Lda	9.83	2.55
	Entities under common control	Expleo Regions SASU	12.79	7.75
	Entities under common control	Expleo Talent International Management SA	0.21	0.20
	Entities under common control	Silver Atena GmbH	5.03	12.16
	Entities under common control	Moorhouse Consulting Ltd	0.47	-
	Entities under common control	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd	0.28	-
	Entities under common control	Expleo USA Inc	5.42	-
	Entities under common control	Expleo Canada Inc.	(0.27)	(0.27)
<b>Amounts Payable to</b>	Holding Company	Expleo Technology Germany GmbH	0.36	0.23
	Fellow Subsidiaries	Expleo Technology UK Ltd	28.46	57.40
	Fellow Subsidiaries	Expleo Technology Egypt	2.10	2.12
	Entities under common control	Groupe Expleo Technology Belgium SPRL	34.61	49.22
	Entities under common control	Expleo Technology Ireland Ltd	-	0.03
	Entities under common control	Expleo Germany GmbH	2.90	-
	Entities under common control	Expleo France SASU	98.22	208.41

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 42: 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, 2024	As at March 31, 2023
	Entities under common control	Expleo Services SASU	29.46	30.91
	Entities under common control	Expleo South Africa (PTY) Ltd	-	0.35
	Entities under common control	Expleo Romania SRL	2.79	1.09
	Entities under common control	Expleo Iberia S.L.	7.07	52.50
	Entities under common control	Expleo South Africa International Pty Ltd	-	0.33
	Fellow Subsidiaries	Expleo Technology USA Inc	21.06	0.39
	Entities under common control	Expleo Maroc SAS	-	0.01
	Entities under common control	Expleo Group SASU	-	3.40
	Entities under common control	Expleo Regions SASU	0.13	0.31
	Entities under common control	Expleo Portugal, Lda	5.29	-
<b>Provision for expenses</b>	Key Management Personnel	Balaji Viswanathan	2.08	6.28
	Key Management Personnel	Periakaruppan Palaniappan	1.11	-
	Key Management Personnel	Desikan Narayanan	-	1.15
	Key Management Personnel	Rajesh Kumaraswamy	0.60	-
	Key Management Personnel	Prasad Satkar	0.86	-
	Key Management Personnel	Phani Tangirala	1.10	0.81
	Key Management Personnel	Prof. K. Kumar	2.25	1.63
	Key Management Personnel	Prof. S. Rajagopalan	2.25	1.63
	Key Management Personnel	Rajiv Kuchhal	2.25	1.63
	Key Management Personnel	Ulrich Bäumer	2.25	1.63
	Key Management Personnel	Lilian Jessie Paul	2.25	1.63



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 42: Disclosures as required under Ind AS 24 'Related Party Disclosures' (Contd.)

#### c) Details of Compensation paid to Key Management Personnel (KMP)

Particulars	Nature of Relationship	Name of the Related Party	Rs. In Millions	
			For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Employee benefits expense</b>	Key Management Personnel	Short term benefits	71.48	44.08
		Post employment benefits*	-	-
		Other Long Term benefits	-	-
		Share based payments	-	-
		<b>Total</b>	<b>71.48</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 43: Merger

Approval to the Scheme of Amalgamation ("the Scheme") involving, Expleo India Infosystems Private Limited (EIPL) (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 Millions 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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 43: Merger (Contd.)

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.

### Note 44 : 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, 2024</b>								
<b>Parent</b>	<b>89%</b>	<b>5,450</b>	<b>90%</b>	<b>811</b>	<b>87%</b>	<b>(15.32)</b>	<b>90%</b>	<b>796</b>
<b>Subsidiaries</b>								
<b>Foreign</b>								
1) Expleo Solutions Pte. Ltd., Singapore	3%	168.04	1%	13.04	-	-	1%	13.04
2) Expleo Solutions Inc, USA	3%	203.21	4%	39.65	-	-	4%	39.65
3) Expleo Solutions UK Ltd, UK	4%	224.54	3%	23.99	-	-	3%	23.99
4) Expleo Solutions FZE, UAE	2%	102.44	1%	13.12	13%	(2.20)	1%	10.91
5) Expleo Solutions LLC, Dubai	0%	6.72	0%	3.41	0%	(0.08)	0%	3.33
<b>Sub-total</b>	<b>11%</b>	<b>704.96</b>	<b>10%</b>	<b>93.21</b>	<b>13%</b>	<b>(2.28)</b>	<b>10%</b>	<b>90.94</b>
Non-controlling interests in all Subsidiaries	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>100%</b>	<b>6,111.51</b>	<b>100%</b>	<b>904.39</b>	<b>100%</b>	<b>(17.60)</b>	<b>100%</b>	<b>886.79</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**

**Note 44 : Additional Information, as required under Schedule III to the Companies Act, 2013, of Enterprises consolidated as subsidiaries (Contd.)**

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>	<b>89%</b>	<b>4,730.33</b>	<b>92%</b>	<b>1,233.43</b>	<b>89%</b>	<b>15.74</b>	<b>92%</b>	<b>1,249.17</b>
<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 Ltd, 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>1,356.54</b>

**Note 45: Additional Regulatory Information**

- a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Group has not been declared as wilful defaulter by any lender who has the powers to declare a company as wilful defaulter at any time during the financial year or after the end of the reporting period but before the date when financial statements are approved.
- c) The Group has not revalued any of the immovable properties during the year.
- d) The Group has not revalued intangibles during the year.
- e) The Group has complied with the number of layers prescribed under clause 87 of section 2 of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- f) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

### Note 45: Additional Regulatory Information (Contd.)

- g) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding that the Group shall;
- (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- h) The Group does not have any transaction recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- i) The Group is not a Section 8 Company and has not received any grants or donations during the year.
- j) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024

### Note 46: Disclosure on Subsidiary

Pursuant to the approval of the The Board of Directors of Expleo Solutions Limited, the holding company, vide its meeting held on August 10, 2023, a new wholly owned subsidiary, namely, Expleo Solutions LLC in Dubai (Mainland, UAE) was incorporated in order to address the requirements of customers engaged in different industries and locations. Further, the Holding Company's Board of Directors at its meeting held on May 23, 2024, decided to cancel all the work permits and visas, transfer all the commercial contracts of one of its subsidiary namely, Expleo Solutions FZE, UAE, to the newly incorporated subsidiary and commence the process of liquidation of Expleo Solutions FZE.

### Note 47: Dividend

During the current year the Board of Directors of the Company has not recommended Dividend (Previous year Rs.5/- per equity share of Rs. 10 each)

## 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 23, 2024

**BALAJI VISWANATHAN**

Managing Director & CEO

DIN : 06771242

Place : Chennai, India

Date : May 23, 2024

**PERIAKARUPPAN PALANIAPPAN**

Chief Financial Officer

Place : Chennai, India

Date : May 23, 2024

**S. SAMPATH KUMAR**

Company Secretary & Compliance Officer

ICSI Membership No. F3838

Place : Ohio, USA

Date : May 23, 2024

## **Strategically positioned to build value**

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### **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

**NOTICE**

Notice is hereby given that the Twenty Sixth Annual General Meeting of Expleo Solutions Limited will be held on **Thursday, August 29, 2024 at 11.00 a.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, 2024 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, 2024 and Auditor’s Report thereon.
2. To appoint a Director in place of Mr. Ralph Gillessen (DIN : 05184138) 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.

**SPECIAL BUSINESS**

**3. To appoint Statutory Auditors to fill casual vacancy.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**“Resolved that** pursuant to the provisions of Section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and further to the recommendation made by the Board of Directors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Registration No. 008072S), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Kalyaniwalla & Mistry, Chartered Accountants, (Firm Registration No: 104607W/W100166).”

**“Resolved further that** M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Registration No. 008072S), be and are hereby appointed as Statutory Auditors of the Company to hold office from August 1, 2024, until the conclusion of 26<sup>th</sup> Annual General Meeting of the Company based on the recommendations of the Audit Committee and Board.”

**“Resolved further that** Mr. Balaji Viswanathan, Managing Director & CEO, Mr. Periakaruppan Palaniappan, 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 they may in their absolute discretion deem necessary or desirable for such purpose to give effect to the aforesaid resolution.”

**4. To appoint Statutory Auditors and fix their remuneration.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**“Resolved that** pursuant to the provisions of Sections 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Deloitte Haskins & Sells, Chartered Accountants, (ICAI Firm Registration No. 008072S), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of 26<sup>th</sup> Annual General Meeting until the conclusion of the 31<sup>st</sup> Annual General Meeting of the Company.”

**“Resolved further that** the Board be and is hereby authorized to fix remuneration of Rs. 6,700,000/- (Rupees Sixty Seven Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses on actuals up to a maximum of Rs. 100,000/- (Rupees One Lakh Only) for the financial year ending March 31, 2025, and the Board of Directors be and is hereby also authorized to finalize the terms and conditions of appointment, including remuneration and other fees payable to the Statutory Auditors for the subsequent years, based on the recommendations of the Audit Committee.”

**“Resolved further that** Mr. Balaji Viswanathan, Managing Director & CEO, Mr. Periakaruppan Palaniappan, 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 they may in their absolute discretion deem necessary or desirable for such purpose to give effect to the aforesaid resolution.”

**5. Appointment of Mr. Phani Tangirala (DIN : 01871595) as Director of the Company.**

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**“Resolved that** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Phani Tangirala (DIN : 01871595), who was appointed as an Additional Director (Executive) by the Board of Directors of the Company with effect from August 1, 2024, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying its intention to propose his candidature for the Office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**“Resolved further that** the Board of Directors of the Company, Mr. Periakaruppan Palaniappan, Chief Financial Officer and Mr. S. Sampath Kumar, Company Secretary and Compliance Officer of the Company, be and are hereby authorized severally to file necessary forms with the Ministry of Corporate Affairs and to do all such acts, deeds and things as may be necessary to give effect to this resolution.

**6. Appointment of Mr. Phani Tangirala (DIN : 01871595) as Managing Director and Chief Executive Officer (Key Managerial Personnel) of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“Resolved that** pursuant to Section 196, 197, 203, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013, (**“the Act”**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the Listing Regulations”**) (including any statutory modification(s) or re-enactment thereof for the time being in force), as amended, based on the recommendations of the Nomination and Remuneration Committee and the approval of the Board of Directors and subject to necessary approval(s), consent(s) or permission(s), as may be required, the consent of the Members of the Company be and is hereby accorded for appointment of Mr. Phani Tangirala (DIN : 01871595) as the Managing Director and Chief Executive Officer (Key Managerial Personnel) of the Company for a period of 3 years from August 1, 2024 to July 31, 2027 on such terms and conditions including remuneration, as per the agreement to be entered into by the Company with Mr. Phani Tangirala and as set out hereunder:

I.	Salary Compensation:	Rs. 22,395,905/- Annually split into Fixed and Variable Part as below:
a.	Fixed Pay:	Rs. 15,130,512/- Annually
b.	Variable Pay:	Rs. 6,987,750/- Annually

II.	Variable Pay:	The Variable compensation shall be based on the achievement of a set of parameters as may be decided by the Board of Directors of the Company or any Committee thereof from time to time. He should be on the rolls of the Company, on the day of payment.
III.	Commission:	Such percentage of net profits of the Company or such other quantum of the net profits of the Company as may be approved by the Board of Directors, at its absolute discretion, for each financial year, subject to the total remuneration in any financial year not exceeding the limits permitted from time to time under Section 197 read with Section 198 and Schedule V of the Companies Act, 2013, as amended from time to time.
IV.	Bonus:	Shall be eligible for bonus payment based on evaluation as per the criteria fixed by the Nomination and Remuneration Committee / Board of Directors and on their approval, subject to the overall limits specified by the Companies Act, 2013, as amended from time to time.
V.	Perquisites:	In addition to the salary, Mr. Phani Tangirala will be entitled to the following perquisites:
	a.	Reimbursement of medical expenses covering medical treatment in India for self and family – Subject to ceiling of one month's basic salary per annum.
	b.	Premium for medical insurance under the group medical policy of the Company.
	c.	Fees, subscription and other incidental charges to clubs, subject to a maximum of two clubs including admission and life membership fee.
	d.	Payment of premium on personal accident insurance as per the Company policy.
	e.	Company's contribution to provident fund and pension / superannuation fund, as per the rules of the Company.
	f.	Gratuity as per the rules of the Company.
	g.	Provision of chauffer driven company car for use on Company's business purposes and use of car for private purposes will be dealt by the Company as per the applicable provisions under the Income Tax Rules, 1962 or any re-enactment thereof.
	h.	Telecommunication facilities at residence.
	i.	Perquisites shall be evaluated as per the Income-tax Rules, 1962 or any re-enactment thereof, wherever applicable. In the absence of any such rules, the perquisites shall be evaluated at actual costs.
VI.	Other Benefits:	
	a.	Leave encashment will be as per the policy of the Company.
	b.	Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
	c.	Such other benefits, amenities and facilities as may be provided by the Company to other senior executives from time to time.
	d.	Such other benefits, amenities and facilities including those under the Special Post Retirement Benefits Scheme as per the rules of the Company.



VII.	The Board may revise the remuneration payable to the Managing Director & Chief Executive Officer, during any financial year, during currency of the tenure of office, in such manner as may be agreed to between the Board of Directors and the Managing Director & Chief Executive Officer subject to the condition that the total remuneration by way of salary, perquisites, commission, other allowances and other benefits, shall be within the limits permissible under Section 197 read with relevant Rules and Schedule V of the Companies Act, 2013, as amended.
VIII.	Annual Increment: Mr. Phani Tangirala shall be entitled to annual increment not exceeding 10% per annum, subject to evaluation by Nomination and Remuneration Committee and approval by the Board of Directors.
IX.	Minimum remuneration In the event of any loss or inadequacy of profits for any financial year - the Board of Directors / Nomination and Remuneration Committee of the Board shall approve the remuneration payable to Managing Director & Chief Executive Officer, during such financial year, in such manner as may be agreed to between the Board of Directors / Nomination and Remuneration Committee of the Board and the Managing Director & Chief Executive Officer, however not exceeding the maximum limits specified in this behalf under Section 197 read with Schedule V to the Companies Act, 2013, as amended.
X.	In the event of loss of office as Managing Director & Chief Executive Officer, he shall be paid compensation in the manner and to the extent and subject to the limits or priorities prescribed under Sections 191 and 202 of the Companies Act, 2013, and the rules made thereunder, as amended.
XI.	The abovementioned remuneration allowed to the Managing Director & Chief Executive Officer shall be in accordance with Sections 196 and 197 read with Schedule V of the Companies Act, 2013, as amended, and / or such changes, variations and substitutions as may be made therein by the Central Government from time to time.
XII.	The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied with the approval of Shareholders in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 2013, as amended, and / or the rules and regulations made thereunder and / or such guidelines as may be announced by the Central Government from time to time.
XIII.	Mr. Phani Tangirala shall not be entitled to any sitting fee for meetings of the Board of Directors or Committee thereof attended by him during the said tenure.
XIV.	Mr. Phani Tangirala shall exercise such of the powers as may be delegated from time to time by the Board of Directors.
XV.	The period of office of Mr. Phani Tangirala shall be liable to determination by retirement of directors by rotation. If Mr. Phani Tangirala is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of Managing Director & Chief Executive Officer and such reappointment as director shall not be deemed to constitute break in his appointment as a Managing Director & Chief Executive Officer.
XVI.	The appointment can be terminated by Mr. Phani Tangirala or by the Company, by either party giving to the other 6 (six) calendar months' prior notice in writing.
XVII.	Mr. Phani Tangirala can resign from the above position before the conclusion of the service period, by giving the company 6 (six) calendar months' notice in writing or by obtaining prior approval of the Board of Directors. In such an event 'Compensation' as mentioned in clause X above shall not be applicable.

**“Resolved further that** the Board of Directors of the Company be and is hereby authorized to vary and/or modify the terms and conditions of the Service Agreement that may be entered into including remuneration payable to Mr. Phani Tangirala in such manner as may be agreed between the Board of Directors and Mr. Phani Tangirala and within the limits as prescribed in Section 197 read with Schedule V of the Companies Act, 2013 including any amendment, modification, variation on or re-enactment thereof.”

**“Resolved further that** in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Phani Tangirala, the remuneration mentioned in the above referred service agreement shall be paid to Mr. Phani Tangirala as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013, as amended from time to time.”

**“Resolved further that** any revision in the remuneration payable to Mr. Phani Tangirala shall be within the overall limits as approved by the Members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the Board of Directors for its approval, from time to time.”

**“Resolved further that** the Board of Directors of the Company, Mr. Periakaruppan Palaniappan, 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 and things as may be necessary to give effect to this resolution.”

**7. Appointment of Ms. Shalini Kalsi Kamath - (DIN : 06993314) as Independent Director (Non-Executive) of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“Resolved that** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Act read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended, the provisions of Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company, Ms. Shalini Kalsi Kamath (DIN : 06993314), who was appointed by the Board of Directors (“Board”), as an Additional Director (Non-Executive, Independent) of the Company with effect from June 14, 2024, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director (Non-Executive) of the Company for a period of 5 (five) years with effect from June 14, 2024 and who shall hold office up to June 13, 2029 and that she shall not be liable to retire by rotation.”

**“Resolved further that** pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Shalini Kalsi Kamath (DIN : 06993314) be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.”

**“Resolved further that** Mr. Balaji Viswanathan, Managing Director & CEO, Mr. Periakaruppan Palaniappan, Chief Financial Officer and Mr. S. Sampath Kumar, Company Secretary and Compliance Officer of the Company, be and are hereby authorised severally on behalf of the Company to do all such other acts, deeds and things as may be necessary to give effect to the aforesaid resolution.”

## 8. Approval of Related Party Transactions:

To consider and, if thought fit, 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 4,500 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.”

**By order of the Board of Directors  
For Expleo Solutions Limited**

**S. Sampath Kumar**  
Company Secretary & Compliance Officer  
FCS No.3838

Place : Ohio, USA  
Date : August 1, 2024

## 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. 09/2023 dated September 25, 2023 issued by Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), electronic copy of the Notice of the 26<sup>th</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with the Annual Report 2023-24 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 2023-24 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. 3 to 8 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 26<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 26<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 26<sup>th</sup> AGM and the Annual Report for the year 2023-24 including therein the Audited Financial Statements for the year 2023-24, 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 26<sup>th</sup> AGM and the Annual Report for the year 2023-24, 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 23, 2024 to Thursday, August 29, 2024 (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. 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.
12. 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.
13. 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.
14. 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 303 Equity Shares pertaining to Final Dividend for the Financial Year 2015-16 and 801 Equity Shares pertaining to Interim Dividend for the Financial Year 2016-17 to the IEPF Authority. Members who have failed to encash their dividend warrants/demand drafts pertaining to the financial years from 2016-17 and 2017-18 are advised to immediately send requests to Company/ Registrar and Share Transfer Agent (RTA) to claim their dividends.
15. 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.
16. 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 2015-16 and Interim Dividend for the Financial Year 2016-17 under "Investors Section" on the website of the Company, viz <https://investors.expleo.com/corporate-governance/> - Transferred to IEPF.
17. 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.

18. 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.
19. 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 : 044 – 2846 0390 / 044 – 4002 0700  
Email : [investor@cameoindia.com](mailto:investor@cameoindia.com)
20. 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.
21. 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 e-voting system during 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 26, 2024 (9.00 a.m. IST)** and ends on **Wednesday, August 28, 2024 (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 (record date) of **Thursday, August 22, 2024**, 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.
- (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>



Type of shareholders	Login Method
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.nsd.com">https://eservices.nsd.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> <li>2) If the user is not registered for IdeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IdeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.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.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	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 & voting during the meeting.

**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**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	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
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	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.: 022 – 48867000

**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; [vsassociates16@gmail.com](mailto:vsassociates16@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.

**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, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 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 26, 2024 (9.00 a.m. IST)** and ends on **Wednesday, August 28, 2024 (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 22, 2024**, 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 22, 2024**. 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 despatch of the Notice but before the cut-off date for voting i.e. **Thursday, August 22, 2024**, 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 M/s. V. Suresh Associates, Practising Company Secretaries, First Floor, No. 28, Ganapathy Colony, III 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, 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 Managing Director & CEO 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.**

### **Ordinary Business:**

#### **Item no. 2: Re-appointment of Mr. Ralph Gillessen (DIN : 05184138):**

Mr. Ralph Gillessen (Aged 55 years) is the Chairman and Non-Executive Director of Expleo Solutions Limited.

Mr. Ralph Gillessen (DIN : 05184138) joined the Board of Directors of the Company on September 1, 2020. A notice has been received from a member proposing Mr. Ralph Gillessen as a candidate for the office of Director of the Company under Section 160 of the Companies Act, 2013.

#### **Profile of Mr. Ralph Gillessen (DIN : 05184138):**

Ralph Gillessen is Group Chief Operating Officer of Expleo Group with responsibility for leading the company's business operations and executing business strategy, protecting the company's people and infrastructure and ensuring operational excellence, which includes the ongoing digital transformation of Expleo.

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.

#### **Particulars of experience, attributes or skills that qualify Mr. Ralph Gillessen for Board membership:**

Mr. Ralph Gillessen possesses appropriate skills, experience and knowledge in the fields of finance, administration, corporate governance related to the company's business.

In terms of Section 152 and any other applicable provisions of the Companies Act, 2013, as amended, Mr. Ralph Gillessen being eligible and offering himself for re-appointment, is proposed to be re-appointed as Non-Executive Director of Expleo Solutions Limited.

Approval of the Members is being sought for the re-appointment of Mr. Ralph Gillessen as Non-Executive Director.

Mr. Ralph Gillessen does not hold any equity shares in the Company, including shareholding as a beneficial owner. Further, Mr. Ralph Gillessen 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. Ralph Gillessen, 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.

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) can be referred below as Annexure-1.

### **Special Business:**

#### **Item No.3 - To appoint Statutory Auditors to fill casual vacancy.**

The Members of the Company at its 24<sup>th</sup> Annual General Meeting held on August 11, 2022 had re-appointed M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, (ICAI Firm Registration No.104607W/W100166) as the Statutory Auditors of the Company for the second term of Five (5) years,

to hold office from the conclusion of 24<sup>th</sup> Annual General Meeting till the conclusion of 29<sup>th</sup> Annual General Meeting of the Company.

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, (ICAI Firm Registration No.104607W/W100166) vide their resignation letter dated August 1, 2024, have resigned from the position of Statutory Auditors of the Company, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013, in view of Expleo Solutions Limited being a material subsidiary of M/s Expleo Group SAS (the ultimate consolidating company), the Management of the company is proposing to align the statutory auditor of Expleo Solutions Limited with the auditors of the ultimate consolidating company, responsible for audit of consolidated accounts, in order to streamline the audit process at the group level.

In this regard, the Board of Directors at its meeting held on August 1, 2024, pursuant to the provisions of Section 139(8) of the Companies Act, 2013, appointed M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm registration no. 008072S), as Statutory Auditors of the Company to hold the office from August 1, 2024 till the conclusion of 26<sup>th</sup> Annual General Meeting of the Company, to fill the casual vacancy caused by the resignation of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, (ICAI Firm Registration No.104607W/W100166), subject to the approval by the members at the 26<sup>th</sup> Annual General Meeting of the Company.

The Company has received consent letter and eligibility certificate from M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm registration no. 008072S), to act as Statutory Auditors of the Company in place of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, (ICAI Firm Registration No.104607W/W100166) along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No.3 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends an Ordinary Resolution set out in Item No.3 of the Notice for approval by the Members.

#### **Item No.4 - To appoint Statutory Auditors and fix their remuneration.**

The Board of Directors at its meeting held on August 1, 2024, pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, recommended the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm registration no. 008072S), as Statutory Auditors of the Company to hold office for one term of five (5) years, from the conclusion of the 26<sup>th</sup> Annual General Meeting, till the conclusion of the 31<sup>st</sup> Annual General Meeting of the Company, at a remuneration and terms and conditions of appointment as specified in the Resolution.

The Company has received consent letter and eligibility certificate from M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm registration no. 008072S) to act as Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No.4 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends an Ordinary Resolution set out in Item No.4 of the Notice for approval by the Members.

**Item nos. 5 & 6 – Appointment of Mr. Phani Tangirala (DIN : 01871595) as Director and Managing Director and Chief Executive Officer (Key Managerial Personnel) of the Company.**

Mr. Phani Tangirala (Aged 53 years) is the Managing Director & Chief Executive Officer of Expleo Solutions Limited.

Mr. Phani Tangirala (DIN : 01871595) joined the Board of Directors of the Company on August 1, 2024. He was appointed as Additional Director and Managing Director & Chief Executive Officer (Key Managerial Personnel) at the Board Meeting held on August 1, 2024, with effect from August 1, 2024 for a period of 3 years, subject to the approval of the Shareholders at the General Meeting. His office is liable to retire by rotation. A notice has been received from a member proposing Mr. Phani Tangirala as a candidate for the office of Director of the Company under Section 160 of the Companies Act, 2013.

**Profile of Mr. Phani Tangirala (DIN : 01871595):**

Phani Tangirala joined Expleo on September 23, 2010 and played various roles in the last 14 years as Global Head of Insurance Vertical, Head of Digital & Technology Delivery, Head of Sales and as Chief Operating Officer.

Prior to joining Expleo, Phani worked as Senior Director at SSP India Pvt Ltd from 2008 to 2010 and was Chief Business Officer at Aetins Sdn Bhd, Malaysia from 1998 to 2008. Phani has started his career at the largest Insurance company in India, Life Insurance Corporation of India from 1991 to 1998. Over these last 33 years, Phani has created a track record in achieving revenue, profit and growth objectives in IT Services especially in the areas of Delivery & Operations, Sales, Software Development, Quality Assurance and Consulting Services offerings across various geographies and industries.

Phani holds a Bachelors degree in Mathematics and Statistics from Osmania University, Hyderabad.

The remuneration last drawn by Mr. Phani Tangirala is Rs. 15,400,000/- per annum as Head of Solutions and Delivery (Digital & Technology Services, India).

Approval of the Members is being sought for the appointment of Mr. Phani Tangirala as Director and Managing Director and CEO and approving the terms of appointment recommended by the Nomination and Remuneration Committee and Board of Directors in their meeting held on August 1, 2024.

Mr. Phani Tangirala holds 5,730 equity shares in the Company, including shareholding as a beneficial owner. Further, Mr. Phani Tangirala is not related to any other Director and other Key Managerial Personnel of the Company.

The terms and conditions of re-appointment along with the details of remuneration sought to be paid are set out in the special resolution in Item No.6 to the Notice.

The Statement containing additional information as required in Section II of Part II of Schedule V to the Companies Act, 2013:

SI No.	General Information	
I.	(a) Nature of Industry	The Company is engaged in providing software services which involve primarily delivering software validation and verification services to the banking, financial services and insurance industry Worldwide.
	(b) Date or expected date of commencement of commercial production	The Company carries on providing software validation and verification services since incorporation.



SI No.	General Information																		
	(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable																	
	(d) Financial performance based on given indicators	<p>As per Audited Standalone Financial Results for the year ended March 31, 2024: (Rs. in Millions)</p> <table border="1" data-bbox="671 538 1474 917"> <thead> <tr> <th data-bbox="676 544 1070 619">Particulars</th> <th data-bbox="1075 544 1267 619">Year ended 31.03.2024</th> <th data-bbox="1272 544 1469 619">Year ended 31.03.2023</th> </tr> </thead> <tbody> <tr> <td data-bbox="676 625 1070 704">Revenue from operations and other income</td> <td data-bbox="1075 625 1267 704">9,683.66</td> <td data-bbox="1272 625 1469 704">9,119.84</td> </tr> <tr> <td data-bbox="676 710 1070 751">Profit/(Loss) after Tax</td> <td data-bbox="1075 710 1267 751">811.00</td> <td data-bbox="1272 710 1469 751">1232.6</td> </tr> <tr> <td data-bbox="676 757 1070 868">Net Worth (including balance in Profit and Loss Account)</td> <td data-bbox="1075 757 1267 868">5,449.91</td> <td data-bbox="1272 757 1469 868">4,731.83</td> </tr> <tr> <td data-bbox="676 874 1070 917">Earnings Per Share</td> <td data-bbox="1075 874 1267 917">52.26</td> <td data-bbox="1272 874 1469 917">79.42</td> </tr> </tbody> </table>			Particulars	Year ended 31.03.2024	Year ended 31.03.2023	Revenue from operations and other income	9,683.66	9,119.84	Profit/(Loss) after Tax	811.00	1232.6	Net Worth (including balance in Profit and Loss Account)	5,449.91	4,731.83	Earnings Per Share	52.26	79.42
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	(e) Foreign Investments or collaborations, if any.	<p>As on March 31, 2024, the Shareholding of Promoter, Foreign Nationals and Foreign Portfolio Investors is as under:</p> <table border="1" data-bbox="671 1027 1474 1436"> <thead> <tr> <th data-bbox="676 1034 1134 1108">Particulars</th> <th data-bbox="1139 1034 1299 1108">No. of Shares</th> <th data-bbox="1303 1034 1469 1108">% to total shares</th> </tr> </thead> <tbody> <tr> <td data-bbox="676 1115 1134 1225">Expleo Technology Germany GmbH (SQS Software Quality Systems AG)</td> <td data-bbox="1139 1115 1299 1225">1,10,26,058</td> <td data-bbox="1303 1115 1469 1225">71.05</td> </tr> <tr> <td data-bbox="676 1232 1134 1310">Foreign Nationals (Non-Resident Indians)</td> <td data-bbox="1139 1232 1299 1310">2,15,181</td> <td data-bbox="1303 1232 1469 1310">1.39</td> </tr> <tr> <td data-bbox="676 1317 1134 1427">Foreign Portfolio Investors (Include Alternative Investment Fund)</td> <td data-bbox="1139 1317 1299 1427">1,59,657</td> <td data-bbox="1303 1317 1469 1427">1.03%</td> </tr> </tbody> </table>			Particulars	No. of Shares	% to total shares	Expleo Technology Germany GmbH (SQS Software Quality Systems AG)	1,10,26,058	71.05	Foreign Nationals (Non-Resident Indians)	2,15,181	1.39	Foreign Portfolio Investors (Include Alternative Investment Fund)	1,59,657	1.03%			
Particulars	No. of Shares	% to total shares																	
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Foreign Portfolio Investors (Include Alternative Investment Fund)	1,59,657	1.03%																	
II	Information about the appointee:																		
	(i) Background details	Profile of Mr. Phani Tangirala furnished in Item nos. 5 & 6 of the Explanatory statement annexed to this notice.																	
	(ii) Past remuneration	<table border="1" data-bbox="671 1587 1474 1779"> <thead> <tr> <th data-bbox="676 1593 999 1634">Financial Years</th> <th data-bbox="1003 1593 1469 1634">Amount (Rs. Millions)</th> </tr> </thead> <tbody> <tr> <td data-bbox="676 1640 999 1681">2021-22</td> <td data-bbox="1003 1640 1469 1681">11.65</td> </tr> <tr> <td data-bbox="676 1687 999 1727">2022-23</td> <td data-bbox="1003 1687 1469 1727">12.62</td> </tr> <tr> <td data-bbox="676 1734 999 1774">2023-24</td> <td data-bbox="1003 1734 1469 1774">12.92</td> </tr> </tbody> </table>			Financial Years	Amount (Rs. Millions)	2021-22	11.65	2022-23	12.62	2023-24	12.92							
Financial Years	Amount (Rs. Millions)																		
2021-22	11.65																		
2022-23	12.62																		
2023-24	12.92																		
	(iii) Recognition or awards	Nil																	

SI No.	General Information	
	(iv) Job profile and his suitability	<p>Mr. Phani Tangirala, Managing Director &amp; CEO of the Company, is highly experienced and controls the affairs of the Company as a whole under the direction of the Board of Directors of the Company. He has successfully and in a sustained way contributed significantly towards growth in performance of the Company as Head of Solutions and Delivery (Digital &amp; Technology Services, India). He has extensive experience in the Software Testing and Digital Services industry. He is actively involved in international markets, business strategy, business development functions of the Company.</p> <p>The growth in the Company's operations can to a large extent be attributable to the dynamism and relentless efforts of Mr. Phani Tangirala. Various new initiatives have been taken to increase the growth and profitability of the Company. Based upon his qualification and expertise, Mr. Phani Tangirala will be best suited for the responsibilities assigned to him by the Board of Directors of the Company.</p>
	(v) Remuneration proposed	<p>Salary Compensation:</p> <p>Rs. 22,395,905/- Annually split into Fixed and Variable Part as below:</p> <p>Fixed Pay : Rs. 15,130,512 /- Annually</p> <p>Variable Pay: Rs. 6,987,750 /- Annually</p> <p>More details are furnished in Special Resolution Item No.6.</p>
	(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	<p>Taking into consideration the size of the Company, the profile of Mr. Phani Tangirala, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid commensurate with the remuneration being paid by the companies' comparable size in the industry in which the Company operates.</p>
	(vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.	<p>Besides the remuneration proposed to be paid to him, the Managing Director does not have any other pecuniary relationship with the Company or relationship with the managerial personnel or other directors of the Company.</p>
III.	Other Information:	
	(a) Reasons of loss or inadequate profits	<p>Not applicable. The Company has reported a Net Profit after Tax of Rs. 811.00 Millions on a standalone basis for the financial year ended March 31, 2024.</p>
	(b) Steps taken or proposed to be taken for improvement	<p>The Company has been earning profits consistently on standalone basis and it is expected to do well in future.</p>

SI No.	General Information	
	(c) Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to increase its presence in software testing and digital services space across various industries, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to further improve its financial performance in the coming years.

**Particulars of experience, attributes or skills that qualify Mr. Phani Tangirala for Board membership:**

Mr. Phani Tangirala possesses appropriate skills, experience and knowledge in the fields of finance, administration, corporate governance related to the Company's business.

In terms of Section 152 and any other applicable provisions of the Companies Act, 2013, as amended, Mr. Phani Tangirala being eligible and offering himself for appointment, is proposed to be appointed as Managing Director and Chief Executive Officer (Key Managerial Personnel) of the Company for a term of 3 (Three) years with effect from August 1, 2024 to July 31, 2027.

In the opinion of the Board, Mr. Phani Tangirala fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder, as amended, for his appointment as Managing Director and Chief Executive Officer (Key Managerial Personnel). The Board considers that his association would be of immense benefit to the Company, and it is desirable to avail services of Mr. Phani Tangirala as Managing Director and Chief Executive Officer (Key Managerial Personnel).

Pursuant to Section 190 of the Companies Act, 2013, as amended, a copy of the draft letter for appointment of Mr. Phani Tangirala as Managing Director and Chief Executive Officer (Key Managerial Personnel) setting out the terms and conditions would be available for inspection in electronic mode without any fee by the members of the Company during normal business hours on any working day, excluding Saturday.

**Concern or interest, financial or otherwise of Directors, Key Managerial Personnel and their relatives:**

Except Mr. Phani Tangirala, 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, in the Special Resolution set out at Item No.6 of the Notice.

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) can be referred below as Annexure-1.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Regulation 17(11) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, the Board recommends the Ordinary Resolution & Special Resolution set out at item no.5 and item no.6, respectively, of the accompanying Notice for the approval of the Members.

**Item No. 7: Appointment of Ms. Shalini Kalsi Kamath - (DIN : 06993314) as Independent Director (Non-Executive) of the Company.**

The Board of Directors of the Company at their meeting held on June 14, 2024, based on the recommendations of Nomination and Remuneration Committee, considered and approved the appointment of Ms. Shalini Kalsi Kamath - (DIN : 06993314) as Additional Director (Non-Executive, Independent) with effect from June 14, 2024 and who shall hold office up to the date of ensuing Annual General Meeting.

The Board based on the notice received in writing from a member under Section 160 of the Companies Act, 2013 signifying its intention to propose Ms. Shalini Kalsi Kamath - (DIN : 06993314) as a candidate for the office of a Director of the Company and based on the recommendations of the Nomination

and Remuneration Committee, recommended to the Members for approval the appointment of Ms. Shalini Kalsi Kamath (DIN : 06993314), as Independent Director (Non-Executive) of the Company with effect from June 14, 2024 and shall hold office up to June 13, 2029 (Term of 5 years), not liable to retire by rotation.

**Profile of Ms. Shalini Kalsi Kamath - (DIN : 06993314)**

Ms. Shalini Kamath is an Independent Director on the Boards of Abbott, Borosil Renewables, Johnson Controls-Hitachi, Maple Highways (a Canadian Pension Fund CDPQ company), Expleo Solutions and Ambit Finvest.

Shalini, an MBA from Edinburgh Business School and a Harvard-trained Change and Transformation strategist, brings nearly three decades of diverse experience across India and Africa. Her HR career includes leadership roles at Chevron Texaco India, Star India, KPMG India, and Ambit Holdings, where she provided strategic business-linked people solutions and managed Corporate Communications.

Previously, she was the Deputy Marketing Director at Raytheon India. She began her career in Zambia and Botswana, working on educational and social development projects.

Currently, Ms. Kamath assists organizations transform.

**Particulars of experience, attributes or skills that qualify Ms. Shalini Kalsi Kamath - (DIN : 06993314) for Board membership:**

Ms. Shalini Kalsi Kamath possess appropriate skills, experience and knowledge in the fields of Finance, Strategy, Human Resources and Business Development related to the Company's business.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, as amended, Ms. Shalini Kalsi Kamath being eligible and offering herself for appointment, is proposed to be appointed as Independent Director (Non-Executive) with effect from June 14, 2024 and shall hold office up to June 13, 2029 (Term of 5 years).

In the opinion of the Board, Ms. Shalini Kalsi Kamath fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder, as amended, for her appointment as Independent Director (Non-Executive) of the Company and is independent of the management. The Board considers that her association would be of immense benefit to the Company, and it is desirable to avail services of Ms. Shalini Kalsi Kamath as Independent Director (Non-Executive).

A copy of the draft letter for appointment of Ms. Shalini Kalsi Kamath as an Independent Director (Non-Executive) setting out the terms and conditions would be available for inspection in electronic mode without any fee by the members of the Company during normal business hours on any working day, excluding Saturday.

Under the Companies Act, 2013, independent directors can receive remuneration provided for under the provisions of Section 197 (5). Accordingly, approval of the members is also being sought for the purposes of payment of remuneration as permitted by the Act, at amounts as may be decided by the Board / Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and rules made thereunder, as amended from time to time.

**Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives:**

Except Ms. Shalini Kalsi Kamath, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the Special Resolution set out at Item No.7.

Disclosure under Regulation 36 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, as amended, and details as required under Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2) can be referred below as Annexure-1.

In view of the provisions of Sections 149 & 197 and any other applicable provisions of the Companies Act, 2013, as amended, the Nomination and Remuneration Committee and the Board recommends the resolution set out at Item No. 7 in relation to appointment of Ms. Shalini Kalsi Kamath as Independent Director (Non-Executive), for the approval by the shareholders of the Company.

#### **Item no.8 – 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 2024-25 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 2024-25 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):**

S. No.	Name of Entities
1	Expleo Technology Germany GmbH, Germany
2	Expleo Group SAS, France
3	Expleo Technology Egypt SAE, Egypt
4	Expleo Group Austria, GmbH, Austria
5	Expleo Technology UK Ltd, UK
6	Expleo Technology Ireland Ltd, Ireland
7	Expleo Technology USA Inc., USA
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	Expleo Romania SRL, Romania
17	Assystem Brime Engineering Consulting (Shanghai) Co. Ltd, China
18	Expleo Germany GmbH, Germany
19	Expleo Maroc SAS, Morocco
20	Expleo Technology Nordic AB
21	Expleo Technology Switzerland AG
22	Silver Atena GmbH, Germany
23	Expleo Regions SASU
24	Expleo Talent International Management SA, Switzerland
25	Expleo Portugal, Lda, Portugal
26	Expleo South Africa Holding (PTY) Ltd, South Africa
27	Expleo South Africa International (PTY) Ltd, South Africa
28	Expleo-UTAC SAS, France
29	Expleo Plastic Solutions, France
30	Expleo Australia PTY Ltd, Australia
31	Expleo Services Canada, Canada
32	Expleo Finland Oy, Finland
33	UMS Consulting GmbH & Co. KG, Germany
34	UMS Management GmbH, Germany
35	Expleo Israel, Israel
36	Expleo Italia S.P.A, Italy

37	Expleo Mexico, S de R.L. de C.V., Mexico
38	Expleo Germany Holding BV, Netherlands
39	Expleo Norway AS, Norway
40	Expleo Nordic AB, Sweden
41	Expleo Stockholm AB, Sweden
42	Expleo UK Ltd, UK
43	Moorhouse Consulting Ltd, UK
44	Moorhouse Holdings Ltd, UK
45	Expleo USA Inc, USA
46	Vista Technologies SAS, France
47	Athos Aeronautique SAS, France
48	Aerotec & Concept SAS, France
49	Expleo Labs SAS, France
50	Expleo Life Sciences Belgium, Belgium
51	Stirling Dynamics GmbH, Germany
52	Vista International Services srl, Romania
53	Expleo Rus LLC, Russia
54	UMS Consulting Pte Ltd, Singapore
55	Expleo Isle of Man, Isle of Man
56	SQS Brazil, Brazil
57	Stirling Dynamics Ltd, UK
58	Expleo SASU, France

In the Annual General Meeting dated August 10, 2023, the Company had obtained approval from Shareholders for limit of:

- (a) INR 3,600 Mn. by Expleo Solutions Limited together with all its Subsidiaries or INR 400 Mn. by all Subsidiaries of Expleo Solutions Limited for rendering of services; and
- (b) INR 1,300 Mn by Expleo Solutions Limited together with all its Subsidiaries or INR 800 Mn by All Subsidiaries of Expleo Solutions Limited for availing of services of related parties.

The resolution set out in Item No. 8 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 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. 8 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 Gillessen, Chairman and Non-Executive Director and Mr. Rajesh Krishnamurthy, Director (Non-Executive)

(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>	<p>Upto INR 4,500 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> – Expleo Group SAS, its Associates and its Subsidiaries mentioned in Sl. No.1 above <b>to</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>	<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>	Upto INR 2,800 Million per annum
(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. 6 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)	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <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	(i) Applicable Terms, including covenants – As mentioned in (v) of (a) above (ii) Tenure – 3 years (iii) Interest Rate: (subject to changes considering the prevailing market rate) For loan from Subsidiaries – Singapore: 3.93 % + Overnight rate – SORA, UK: 4.41% + Overnight rate – CC, USA: 3.93 % + Overnight rate - CC. (iv) Repayment Schedule – At the end of the tenure period or such other period as may be mutually agreed by the parties (v) Secured or Unsecured – Unsecured (backed by Parental Guarantee)
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. 8 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 Gillessen, Chairman and Non-Executive Director, who is on the Board of Expleo Technology Germany GmbH and Mr. Rajesh Krishnamurthy, Director (Non-Executive), 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. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 8 of the accompanying Notice for the approval of the Members.

**By order of the Board of Directors  
For Expleo Solutions Limited**

Place : Ohio, USA  
Date : August 1, 2024

**S. Sampath Kumar**  
Company Secretary & Compliance Officer  
FCS No.3838

### Details of Director seeking Appointment

#### [Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings]

Name of the Director	Mr. Ralph Gillessen	Mr. Phani Tangirala	Ms. Shalini Kalsi Kamath
DIN	05184138	01871595	06993314
Date of Birth	27.06.1969	06.06.1971	15.12.1964
Age	55 years	53 years	59 years
Date of first appointment on the Board	09.08.2018	01.08.2024	14.06.2024
Qualifications & Experience	<p><b>Qualification</b></p> <p>Graduate In Physics, Cost Accountant, Graduate Member of The Indian Institute of Bankers, Executive MBA.</p> <p><b>Experience</b></p> <p>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.</p>	<p><b>Qualification</b></p> <p>Bachelors degree in Mathematics and Statistics from Osmania University, Hyderabad</p> <p><b>Experience</b></p> <p>Phani Tangirala joined Expleo on September 23, 2010 and played various roles in the last 14 years as Global Head of Insurance Vertical, Head of Digital &amp; Technology, Delivery, Head of Sales and as Chief Operating Officer.</p> <p>Prior to joining Expleo, Phani worked as Senior Director at SSP India Pvt Ltd from 2008 to 2010 and was Chief Business Officer at Aetins Sdn Bhd, Malaysia from 1998 to 2008. Phani has started his career at the largest Insurance company in India, Life Insurance Corporation of India from 1991 to 1998. Over these last 33 years, Phani has created a track record in achieving revenue, profit and growth</p>	<p><b>Qualification</b></p> <p>MBA graduate from Edinburgh Business School, UK.</p> <p><b>Experience</b></p> <ul style="list-style-type: none"> <li>• Board positions include Abbott India, Borosil Glassworks, Johnsons Control - Hitachi, Maple Infra InvIT, Ambit Finvest, TRRAIN Foundation and CSCGA</li> <li>• Transformation Strategist she assists organisations through their change and transformation journey to enhance productivity, efficiency, processes, systems and organizational culture</li> <li>• Group HR Head positions for Chevron Texaco India (Oil &amp; Gas), Star India (Media &amp; Entertainment), KPMG India (Consulting, Audit &amp; Taxation) and Ambit Holdings (Financial Services &amp; Investment Banking)</li> </ul>

Name of the Director	Mr. Ralph Gillessen	Mr. Phani Tangirala	Ms. Shalini Kalsi Kamath
		objectives in IT Services especially in the areas of Delivery & Operations, Sales, Software Development, Quality Assurance and Consulting Services offerings across various geographies and industries	
Nature of expertise in specific functional areas	Refer Notice and Explanatory Statement	Refer Notice and Explanatory Statement	Refer Notice and Explanatory Statement
Skills and capabilities required for the role and the manner in which the Directors meet the requirements	Refer Notice and Explanatory Statement	Refer Notice and Explanatory Statement	Refer Notice and Explanatory Statement
Terms and conditions of Appointment	Re-appointment pursuant to Section 152 of the Companies Act, 2013	Refer Annexure to Notice above	Appointment as an Independent Director for a period of 5 consecutive years effective from June 14, 2024 to June 13, 2029 (for further details refer the Notice and Explanatory Statement).
Details of remuneration last drawn (FY 2023-24)	Nil	Rs. 15,400,000 /- Per Annum	Not Applicable
Details of remuneration sought to be paid	Nil	INR 22,395,905/- Per Annum	The remuneration payable to Ms. Shalini Kalsi Kamath shall be linked to the factors like chairmanship of committees, membership of committees etc. and shall be governed by the Terms of Appointment of Independent Directors of the Company.

Name of the Director	Mr. Ralph Gillessen	Mr. Phani Tangirala	Ms. Shalini Kalsi Kamath
Directorships in other listed Companies (excluding foreign companies)	Nil	Nil	Listed Companies: <ul style="list-style-type: none"> <li>• Abbott India Limited</li> <li>• Borosil Renewables Limited</li> <li>• Johnson Controls-Hitachi Air Conditioning India Limited</li> </ul>
Directorship in other unlisted Companies including foreign companies	<ul style="list-style-type: none"> <li>• Expleo Technology Germany GmbH</li> <li>• Expleo Germany Holding B.V., Netherlands</li> </ul>	Nil	<ul style="list-style-type: none"> <li>• Ambit Finvest Private Limited</li> <li>• Trrain Foundation</li> <li>• Maple Infra Invit Investment Manager Private Limited</li> </ul>
	<ul style="list-style-type: none"> <li>• Expleo Group Austria, GmbH</li> <li>• Expleo Germany GmbH</li> <li>• Silver Atena GmbH</li> <li>• Stirling Dynamics GmbH</li> <li>• Expleo Solutions INC., USA</li> <li>• Expleo Solutions FZE., UAE</li> <li>• Expleo Technology Egypt, Cairo, Egypt.</li> <li>• Expleo Technology Ltd, UK</li> <li>• Expleo Technology Ireland LTD, Dublin, Ireland</li> <li>• Expleo Technology Switzerland AG</li> <li>• Expleo Nordic A B</li> <li>• Expleo Stockholm AB</li> <li>• Expleo Technology Nordic AB</li> <li>• Expleo Norway AS</li> </ul>		

Name of the Director	Mr. Ralph Gillissen	Mr. Phani Tangirala	Ms. Shalini Kalsi Kamath
	<ul style="list-style-type: none"> <li>• Expleo Finland OY</li> <li>• Expleo Technology USA Inc.</li> <li>• Groupe Expleo Technology Belgium SPRL</li> <li>• Expleo Italia</li> <li>• Expleo Iberia S.L.U., Spain</li> <li>• Expleo Solutions LLC, Dubai</li> <li>• Vista International Services SRL</li> </ul> <p>Expleo Romania SRL</p>		
<p>Membership / Chairpersonship of Committees in other listed companies (excluding foreign companies)</p>	<p>Nil</p>	<p>Nil</p>	<p><b>Abbott India Limited</b> Member of:</p> <ul style="list-style-type: none"> <li>(a) Audit Committee,</li> <li>(b) Stakeholders Relationship Committee,</li> <li>(c) Risk Management Committee and</li> <li>(d) Corporate Social Responsibility Committee.</li> </ul> <p><b>Borosil Renewables Limited</b> Member of:</p> <ul style="list-style-type: none"> <li>(a) Audit Committee,</li> <li>(b) Nomination and Remuneration Committee,</li> <li>(c) Corporate Social Responsibility Committee,</li> <li>(d) Risk Management Committee and</li> <li>(e) Environmental Social and Governance Committee.</li> </ul>

Name of the Director	Mr. Ralph Gillessen	Mr. Phani Tangirala	Ms. Shalini Kalsi Kamath
			<b>Johnson Controls-Hitachi Air Conditioning India Limited</b> Member of: (a) Audit Committee, (b) Environmental Social and Governance Committee and (c) Corporate Social Responsibility Committee.
Listed entities from which the Director has resigned from Directorship in last 3 (three) years	None	None	None
No. of Board Meetings attended during FY 2023-24	7 (Seven)	Nil	Not Applicable
Inter-se relationship with other Directors and Key Managerial Personnel of the Company	None	None	None
No. of shares held:	Nil	5,730	Nil
(a) Own	Nil	5,730	Nil
(b) For other persons on a beneficial basis	Nil	Nil	Nil