

2025
ANNUAL REPORT

The New Human Force

In the Age of AI, the Irreducible
Variable is Still Human

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Forward-Looking Statement

This document contains statements about expected future events, financial and operating results of R Systems International Limited, which are forward-looking. By their nature, forward-looking statements require the company to make assumptions and are subject to inherent risks and uncertainties.

There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed or implied in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the R Systems International Limited Annual Report 2025.



The New Human Force

R Systems was founded in 1993, when enterprises were moving from centralized mainframes to client-server architecture and distributed computing. The expectation at the time was that centralized mainframe teams would be replaced entirely, and while the technology did redistribute the work, the engineers who understood how to design, govern, and scale those distributed systems became more sought after than they had been before the technology arrived. Enterprise packaged applications arrived at enterprise scale in the late 1990s and early 2000s with a similar set of predictions aimed at finance and supply chain departments, and the outcome followed the same pattern. They automated transaction processing and reporting, and the professionals who learned to configure and govern them found themselves more valuable after the transition than before it.

Offshore delivery models generated a nearly identical set of predictions in the early 2000s, aimed at onshore engineering talent in North America and Western Europe, and the outcome followed the same pattern. Labor arbitrage redistributed a significant share of development work across geographies, but the engineers who could manage quality, governance, architecture decisions, cross-border delivery, and client communication at a distance found their skills commanding a higher premium than before.

Cloud computing repeated that dynamic in the 2010s, with infrastructure specialists and traditional project managers cast as the next group to become redundant, and low-code automation platforms extended it further by targeting application developers working on routine business logic. In both cases, the technology did absorb a category of manual work, and in both cases, the professionals who learned to direct the new tools rather than compete against them came through the transition worth more than they had been going in. R Systems delivered engineering work through

each of these cycles, building delivery capability across client-server systems, offshore and nearshore operations, cloud migration, DevOps, and platform automation over thirty-two years of continuous operation.

The current AI wave has generated more enterprise experimentation than any technology category that preceded it, in part because the tools themselves require no significant procurement process to acquire. Frontier models and code generation tools are available to any team with an internet connection, and the pilot activity this accessibility has produced has been enormous in volume and uneven in results. Enterprises that ran pilots in controlled settings discovered that the distance between a capable AI model performing well in a sandbox and a useful outcome operating under governance in a live environment is wider than product demonstrations suggested, and that closing it required exactly the kind of engineering judgment the tools could not supply on their own.

The distance between a capable AI tool and a useful production outcome has always been a human expertise problem, and every deployment in this report confirms it.

R Systems has operated on the production side of that separation throughout the current cycle, applying three decades of technology-transition experience to determine where AI tools should run autonomously, where human oversight needs to intervene, where the tools themselves need to be redesigned, and where AI should not be involved at all. Digital product engineering, as we practice it, starts with the outcome and works

backward to determine what the engagement requires. It begins with outcomes and assembles the smallest team capable of delivering them, an operating model the company has followed since its founding and one the broader industry has now moved toward.

This annual report documents what the company built and delivered during FY 2025. A production-grade AI platform built for a healthcare education provider cut exam authoring effort by 75%. An embedded reporting modernization delivered \$300,000 in annual licensing cost savings for a SaaS payments client at twice the speed of the traditional approach. An AI agent-driven migration framework cut PHP to Java refactoring effort by 75%, reaching 90% migration completeness and 4x faster per-module delivery. Reverse-engineering agents mapped 3 million lines of undocumented code for a warehouse software provider, cutting new engineer onboarding time by 70% and eliminating 50% of routine support overhead. Each of these outcomes has a number attached to it, and behind each number is a sequence of decisions that no AI made.

The capability chapters cover agents deployed in production environments and the workforce architecture and certification system behind those deployments. They also cover the cost engineering and governance frameworks that make agentic delivery economically sustainable, and the domain expertise accumulated over years of vertical-specific engagement that separates R Systems' work from generic AI capability available on the open market. Shareholders reading this report will find proof points before they find assertions, and they will find the people responsible for those outcomes before they find any claims about the company's direction.



Chairperson's Message

FY 2025 was a year in which enterprise AI spending climbed across most categories while measurable production outcomes remained narrow. Pilot programs and capability acquisitions among listed peers reached levels the board has not seen in any previous technology cycle, but the share of enterprises that have successfully operationalized agentic AI at scale remains narrow, a finding supported by independent research commissioned by the company. Every services company in this sector faces the same evaluation, whether its capability is configured for the experimentation phase or the production phase, and whether its commercial model can hold across that distance. R Systems committed to the production phase in the previous report, supported by a workforce architecture designed for

outcome-led delivery and a governance structure that makes agentic engagements accountable to defined business measures. The chapters that follow document how that commitment was met.

The board's review across the year confirmed that the management team executed against that commitment in operating substance rather than narrative. The board's view is that the company's value to its shareholders, clients, and employees rests on the quality of the engineering judgment it brings to its work, not on the volume of its claims about that work. Independent oversight was carried forward across the year through the audit, risk, nomination and remuneration, stakeholders' relationship, and corporate social responsibility committees. The risk

environment continued to evolve, with data protection regulations tightening across the geographies in which the company operates and cybersecurity controls receiving particular attention. The board is satisfied that the governance framework remains fit for the company's size and nature.

I record the board's appreciation for the engineers, architects, delivery leaders, and support functions whose technical discipline produced the year's outcomes, alongside the proficiency-based talent framework and the academic partnerships that anchor the company's long-term capability.

Ruchica Gupta

Chairperson and Non-Executive
Independent Director

CEO and Managing Director's Letter



Nitesh Bansal

Managing Director and
Chief Executive Officer

In 2023, our clients were testing whether AI could do what the product demonstrations depicted. In 2024, our engagements demonstrated that AI-led delivery outpaced traditional approaches, with documented production outcomes across multiple clients. The organizations that approached R Systems in 2025 had already invested in AI tools and pilot programs before our partnership. Those earlier investments had not produced the returns they expected, and these clients were now selecting their next partner on the strength of documented engagement results.

The company entered FY 2025 with production deployments already generating documented results, and spent the year adding to that evidence base across multiple client engagements and verticals.

Our engagement with a leading LegalTech provider illustrates the scale of engineering work in our portfolio. The client was operating across 40 fragmented point solutions with high maintenance overhead and slow incident response times that constrained how fast new clients could be onboarded. We consolidated the environment into a single

cloud-native SaaS platform, rebuilding the architecture on microservices with automated CI/CD and AI-driven engineering delivery. The engagement produced 65% lower maintenance costs, 70% faster incident resolution, 99.999% system availability, and 80% faster client onboarding. That engagement is one of several documented across the capability and production outcome chapters of this report, where the embedded reporting modernization, enterprise code migration, warehouse software reverse-engineering, and agentic platform deployments are covered with full operational detail.

The Human Behind the Outcome

Every one of those outcomes was produced by an engineer making a judgment call about where to trust the AI output and where to intervene before it reached production. Domain knowledge made the difference between an accurate result and a plausible one that would have failed in the client's operating environment. The AI performed the computation. The human determined whether the output was safe to ship.

The IT services market has been using headcount as a proxy for company health, and that metric does not describe what is happening inside the company. We built an on-the-job training and assessment program during FY 2025 to make the composition of our workforce legible to investors and clients in a way that a single number cannot. The program classifies every engineer into one of four proficiency tiers, from Aspirant through Champion, based on demonstrated capability rather than self-reported skill. The Capability That Verifies chapter later in this report describes the framework in full.

Our production roles now include skill profiles that did not exist two years ago. Agent orchestrators design multi-agent systems. Domain specialists hold the vertical expertise that keeps deployments safe inside client environments. Platform engineers build the governance and cost-monitoring infrastructure that keeps agentic systems sustainable. We are investing in these profiles through the proficiency program and a restructured career architecture that aligns compensation with demonstrated proficiency.

The clearest demonstration of what this workforce produces in practice came from an enterprise sustainability data platform. The client needed to accelerate its engineering output without expanding headcount and was running into limits on how fast its team could iterate on the LLM integrations at the core of its product. We embedded a certified engineering

pod that governed the AI adoption across the development and QA pipelines. The engagement delivered 2x development velocity and 4x QA throughput while cutting the LLM improvement cycle in half, with the engineers determining at each stage which outputs were reliable enough to ship and which required human review before anything reached production.

Governance Built In

Two structural advantages ran beneath the numbers in this report. We built a cost governance layer into every agentic engagement from the first month, tracking compute costs, token consumption, and compliance continuously rather than auditing after delivery. Domain depth is why we earned engagement extensions, with our engineers carrying context in payments, healthcare IT, enterprise SaaS, and regulated financial services that determined where AI output needed human judgment before reaching production.

In healthcare, domain depth shaped the outcome of a medical coding engagement where the client was processing approximately 100,000 charts per month through a manual revenue cycle workflow. Our team deployed an agentic AI-driven RCM platform built on multi-agent coordination with human-in-the-loop confidence scoring and ICD/CPT compliance controls. The platform achieved 95% to 97% coding accuracy and a 55% reduction in required coders, with experienced staff redirected from repetitive workloads to higher-value clinical and audit decisions the AI could not make.

We completed the acquisition of Novigo Solutions in November 2025, adding low-code and intelligent automation capability to the company's engineering portfolio. The acquisition integrates Novigo's UiPath Diamond-tier automation practice and Microsoft Copilot Centre of Excellence with OptimaAI, and extends delivery presence into Bengaluru and Mangaluru alongside

the company's existing Indian operations. The combined entity entered FY 2026 operating at approximately \$240 million in annualized revenue with an engineering footprint that now covers agentic AI and platform automation alongside full-stack digital product engineering under a single delivery structure.

Following the close of FY 2025, three developments marked the next phase of the company's evolution. R Systems was named a Leader in the Everest Group Software Product Engineering Services PEAK Matrix Assessment 2025, an upgrade from the Major Contender position held the previous year. In March 2026, we launched EXIQO as a dedicated AI studio that brings together our trained workforce and OptimaAI with a governed delivery methodology into a single accountable offering for clients moving AI from pilot to production. In March 2026, we introduced a refreshed brand identity that reflects the company's positioning as an AI-first engineering organization. The journey from a largely traditional engineering model to an AI-first engineering organization has been deliberate, built over three decades of technology-transition experience and validated through the production outcomes documented in the pages that follow.

R Systems has a certified workforce with auditable AI proficiency, production deployments with quantified outcomes and documented client extensions, built-in cost governance, and domain expertise verified through sustained renewals.

The company in this report is the company we have built, and the investment we are presenting to shareholders is the one we have already made. I encourage you to review the Management's Strategic Insights section for a detailed overview of our operational and financial performance during the year.

Board of Directors



Ruchica Gupta
Chairperson and Non-Executive
Independent Director



Nitesh Bansal
Managing Director and
Chief Executive Officer



Mukesh Mehta
Non-Executive Director



Amit Dalmia
Non-Executive Director



Animesh Agrawal
Non-Executive Director



Kapil Dhameja
Non-Executive
Independent Director



Aditya Wadhwa
Non-Executive
Independent Director

Executive Management Team



Nitesh Bansal
Managing Director and
Chief Executive Officer



Avirag Jain
Chief Operating Officer



Nand Sardana
Chief Financial Officer



Arun Raghavapudi
Chief Customer Officer



Farooq Ahmad
Chief Revenue Officer



Srikara Rao
Chief Technology Officer



Satyadeep Mishra
Chief Human Resources Officer



Sanjay Sahay
Chief Marketing Officer



Raluca Rusu
Chief Executive Officer
R Systems, Europe



Ashok Chawla
Co-Chief
Delivery Officer



Shardul Sangal
Co-Chief
Delivery Officer



Sidhartha Dubey
Head of Digital Operations
and Automation

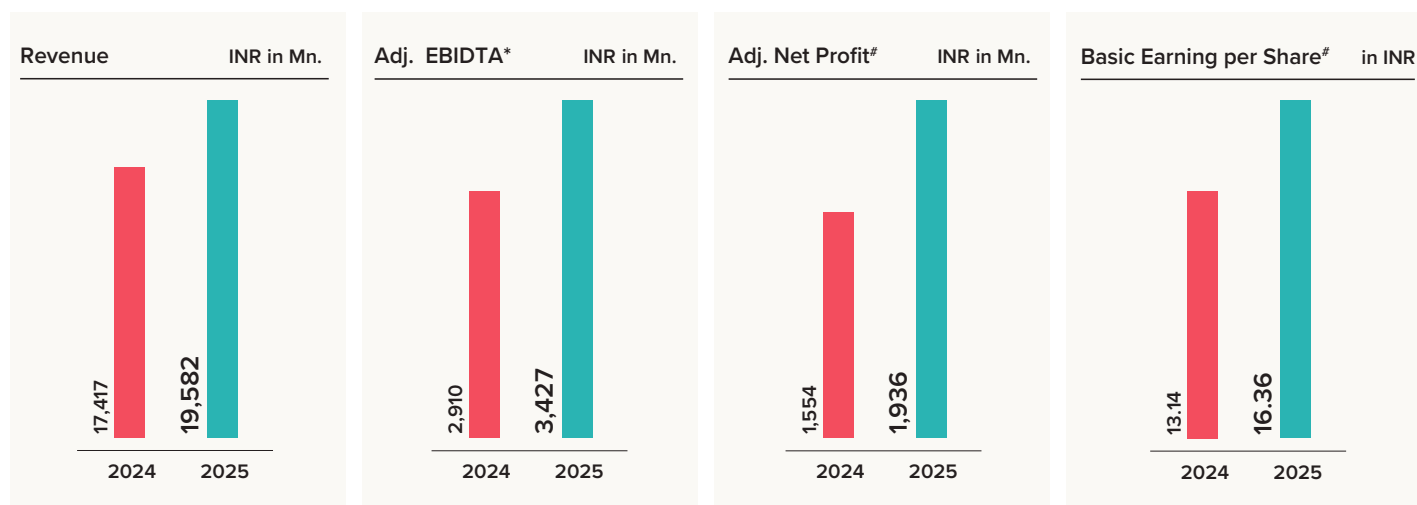


Financial Highlights FY 2025

R Systems reported strong performance in FY 2025, with consolidated revenue of INR 19,582 Mn, reflecting a growth of 12.4% over FY 2024. Adjusted EBITDA stood at 17.5% compared to 16.7% in the previous year, while Adjusted Profit After Tax increased to INR 1,936 Mn from INR 1,554 Mn in FY 2024, registering a growth of 24.6% year-on-year.

The improvement in underlying margins was driven by quality of revenue, supported by large deal wins in Data & AI, Cloud, and Product Engineering. This was complemented by stronger operating performance through disciplined cost management and improved utilization.

The acquisition of Novigo, completed on November 13, 2025, contributed INR 282 Mn to revenue and INR 86 Mn to Profit Before Tax in FY 2025. The full-year financial impact of this acquisition will be reflected in FY 2026.



*Excluding RSUs expenses and non-recurring costs
[#]Excluding RSUs expense, non-recurring and exceptional items net of tax



Performance Highlights

R Systems employed over 5,300 professionals as of 31 December 2025, operating across 22 development and service centers in 20 countries. The company served over 300 active clients during FY 2025, with a repeat business rate above 90%. The client portfolio includes 50 accounts generating over \$1 million in annual revenue, 28 above \$2 million, and three above \$5 million. One client relationship exceeded \$10 million in annual revenue during the reporting period.

5,300+

Workforce

300+

Active Clients

90%

Repeat Business

19,582 Mn. INR

Revenue

3

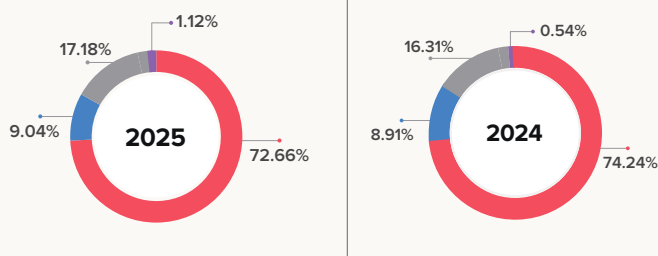
5+ Mn. USD Clients

50

1+ Mn. USD Clients

Revenue by Geography

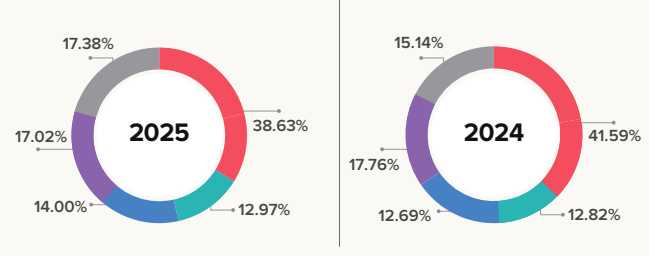
In %



- Americas
- Europe
- APAC
- MEA

Revenue by Vertical

In %



- Technology Internet Platforms and Services (TIPS)
- Manufacturing & Logistics (M&L)
- Banking, Finance & Insurance (BFSI)
- Health
- Telecom, Media & Entertainment (TME)

Global Engineering Footprint

R Systems operates 30 offices and 22 development and service centers across 20 countries, and the composition of that network is designed around a specific delivery principle, which is that every engagement should be served from the locations best matched to its time zone requirements, language needs, regulatory environment, and domain expertise rather than defaulted to whichever office has available capacity. The Pune, Chennai, Bengaluru, Mangaluru, and Kochi offices extend the company's access to Indian engineering talent beyond its historical concentration in Noida, with the Bengaluru and Mangaluru locations added in November 2025. Mexico City adds a nearshore option for Spanish-speaking clients of North American enterprises within compatible time zones. The European network covers Romania, Poland, Moldova, Germany, the UK, Switzerland, and the Netherlands, providing delivery capacity for engagements that require EU data residency, regulatory proximity, or local-language client interaction. Offices in Dubai and Riyadh serve clients in the Middle East. Across Asia, offices in Thailand, Malaysia, Indonesia, Vietnam, Singapore, China, Hong Kong, Japan, and the Philippines serve regional clients and supply distributed capacity for global accounts that need follow-the-sun engineering coverage or in-country regulatory compliance.

20

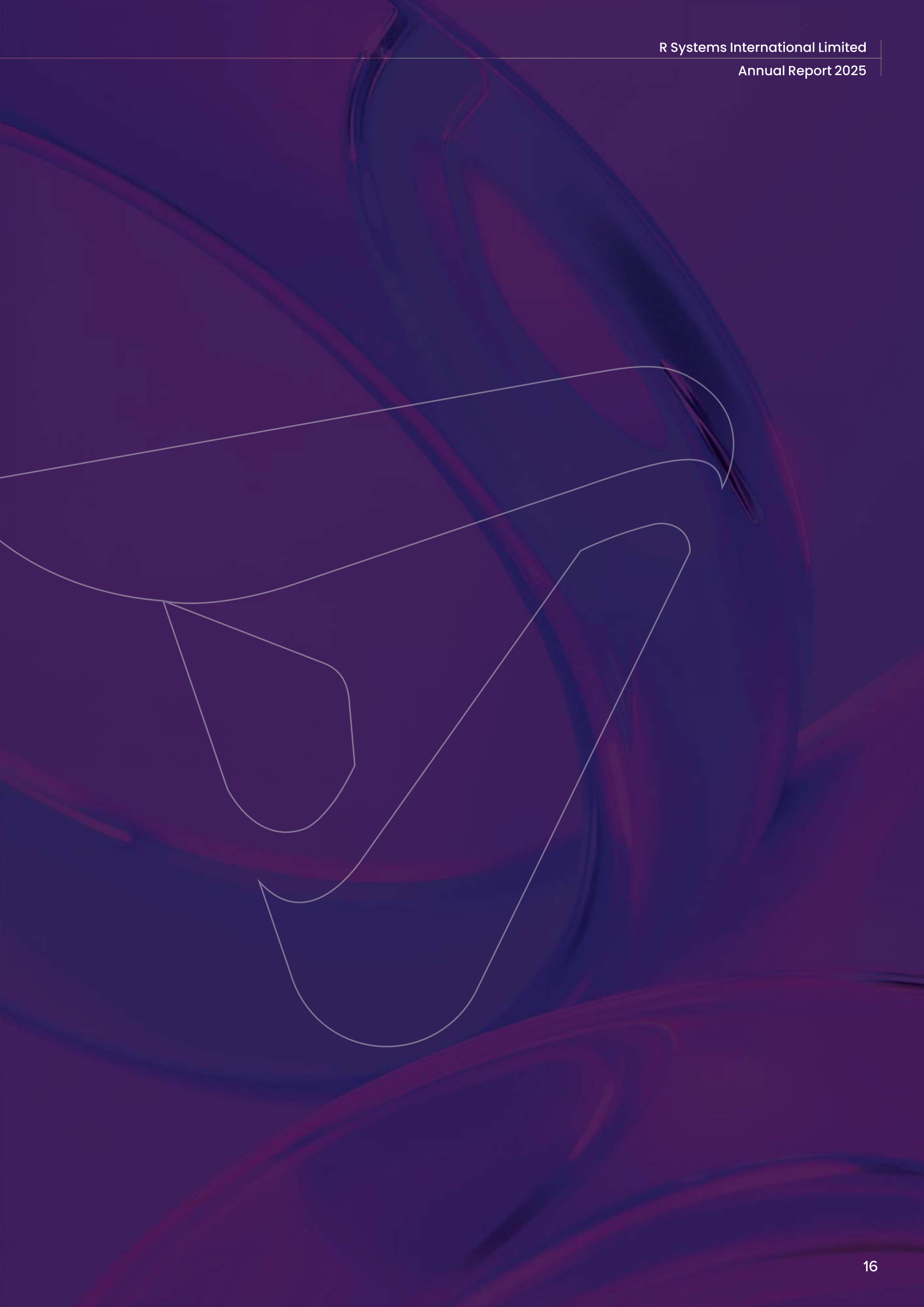
Countries

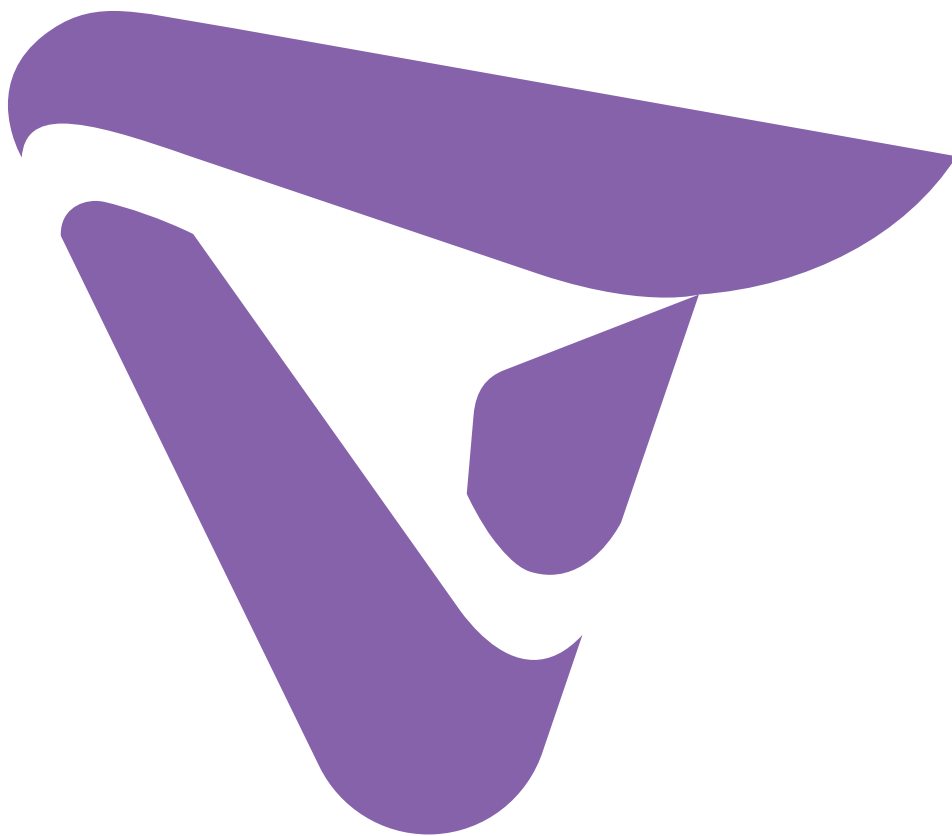
5,300+

Professionals



● Offices ● Global Delivery Center





Management's Strategic Insights

Across the delivery organization, engineers use AI in up to 80% of their workflows—from development and testing through to deployment—with usage levels differing by role and engagement type.

Business Overview and Positioning

R Systems International Limited operated during FY 2025 as a digital product engineering company with core services spanning software product engineering, cloud and DevOps, data and AI, quality engineering, embedded systems and firmware, automation and digital operations, experience design, and application modernization. The company reports its client portfolio across five segments, namely, Technology Internet Platforms and Services (TIPS), Healthcare, Manufacturing and Logistics, Telecom Media and Entertainment, and Banking, Financial Services and Insurance.

The company's strategic positioning during FY 2025 reflected the broader market's transition from AI experimentation to AI deployment, and R Systems' OptimaAI, the enterprise-grade AI framework introduced in 2024, expanded its footprint accordingly.

GenAI and machine learning features deepened across the existing client portfolio as clients moved from feature requests to full-deployment mandates. Across the delivery organization, engineers use AI in up to 80% of their workflows—from development and testing through to deployment—with usage levels differing by role and engagement type. AI revenue accounted for approximately 29% of overall revenue during FY 2025, a share the company expects to grow in the coming years.

The engagement model during FY 2025 increasingly centered on outcome-based delivery rather than time-and-materials staffing. The production deployments described in the CEO's letter, including the exam authoring platform, the embedded reporting modernization, the enterprise code migration, and the warehouse software engagement, all operated on outcome-defined scopes with measurable success criteria agreed with the client before work began. This positions the company within the engineering-depth

segment of the IT services market rather than the managed-services segment, a distinction that analyst frameworks and enterprise procurement teams have been drawing with increasing precision over the past eighteen months.

The acquisition of Novigo Solutions strengthened the company's automation and low-code engineering capabilities, combining Novigo's automation depth with the OptimaAI portfolio to take clients from model engineering to autonomous execution within a single ecosystem.

Financial Performance

Adjusted EBITDA for FY 2025 was 3,427 INR Mn at a margin of 17.5%, an expansion from 16.7% in the prior year. The improvement in revenue quality was driven by disciplined execution and sustained operational precision, supported by rupee depreciation.

AI In Production

The year's most significant delivery milestone was the move from agentic AI as a proof of concept to agentic AI as a repeatable production practice. The company deployed AI agents across client engagements during FY 2025, generating quantifiable returns across the software development lifecycle, BI and analytics, support operations, and regulated domain applications. Production deployments during the period carried governance frameworks, cost engineering architectures designed in from the start, and measurable outcomes that clients used to justify extending engagements. A four-tier on-the-job proficiency framework, covering Aspirant through Champion levels, underpinned every engagement of consequence and made the outcomes repeatable rather than incidental.

New Solutions and Technologies

The most significant capability developments during FY 2025 were the expansion of OptimaAI and the rollout of the proficiency framework across the global delivery organization. EXIQO, the dedicated AI

Studio from R Systems, launched commercially on 19 March 2026, integrating the AIEV engineering workforce, OptimaAI, and a structured five-phase delivery methodology into a single accountable offering. The full EXIQO model is described in its own chapter of this report.

OptimaAI expanded during the year to 150+ digital agents, 18 industry blueprints, and a growing library of reusable connectors, prompts, evaluations, and data models. It operates as a unified platform for agentic business operations, SDLC acceleration, and legacy modernization, with built-in guardrails, policies, and compliance. The program had validated over 1,400 AI-trained practitioners by the time of EXIQO's commercial launch, assessed through eight competency groups on a 90-day review cycle. The framework was formalized as AIEV and became the talent component of EXIQO.

The Novigo acquisition extended OptimaAI with UiPath Diamond-tier automation, Microsoft Copilot Centre of Excellence integration, and delivery presence in Mangaluru and Bengaluru. The company achieved

UiPath Diamond Partner status and was recognized as a UiPath Agentic Automation Fast Track Partner in November 2025.

The ESTAITEX platform, developed internally as a BI and data capability framework, expanded during FY 2025 from a set of migration accelerators into an integrated architecture where data

engineering, business intelligence, and AI operate from a common foundation. The platform's Decision Intelligence layer entered an early demonstration with CXO stakeholders during the year.

R Systems deepened its hyperscaler partnerships, adding new Microsoft Azure Solutions Partner designations across Infrastructure, Data & AI,

Digital & App Innovation, Business Applications, and Security, and achieving an Advanced Specialization in Kubernetes on Azure. In parallel, the company published multiple customer success stories in collaboration with AWS, strengthening its presence on the AWS Partner Network. These investments reflect a commitment to building credential-strong, co-sell-ready partnerships with the leading cloud platforms.

Responding to a threefold increase in GCC demand, the company developed GCC Copilot during FY 2025, an AI-assisted service designed to help enterprises launch, scale, and optimize Global Capability Centers within 90 days. The offering was built on two decades of multi-model GCC delivery experience across SaaS platforms and Fortune 100 companies, and accompanied by a new delivery center in Mexico and the enhancement of the Romania facility to serve clients across North America and Europe.

R Systems launched the Global Innovation Center during FY 2025 as a dedicated physical facility that



brings together AI, data, cloud, and platform engineering in a live demonstration environment. The center operates as a unified engagement platform, aligning sales, presales, delivery, analyst relations, and marketing functions around hands-on demonstrations and applied use cases rather than presentation decks. The center hosted its inaugural Analyst Day during the year, with industry analysts engaging directly

with live production demonstrations across the experience pods. The facility has since been used for client visits, analyst briefings, partner immersion sessions, and CXO engagement.

Industry Performance

Revenue during FY 2025 was distributed across five verticals. TIPS contributed 38.6%, BFSI 17.4%, TME 17.0%, Manufacturing and Logistics 14.0%, and Healthcare 13.0%.

Private Equity Portfolio

Private equity portfolio companies remained a significant and growing segment during FY 2025, contributing over 20% of revenue. The engineering depth required to operate inside PE-owned environments, where integration timelines are compressed, operational efficiency targets are defined at acquisition, and technology due diligence runs in parallel with delivery, has made the company a recurring engineering partner across multiple portfolio transitions.

Geographic Expansion

R Systems' Indian delivery network operates from its Noida headquarters alongside delivery centers in Delhi, Pune, Chennai, Bengaluru, Mangaluru, and Kochi, with the presence in Delhi, Pune, and Chennai enhanced during the year and the Bengaluru, Mangaluru, and Kochi locations added in November 2025. Mexico City provides a nearshore option for Spanish-speaking clients of North American enterprises within compatible time zones.

The European operations, centered on Romania, Poland, and Moldova, with additional presence in the UK, Switzerland, and the DACH region including Dusseldorf, extended beyond traditional telecom markets into healthcare, manufacturing, and logistics during the year. The integration of group-level engineering capabilities with local expertise across these locations produced new client engagements in those verticals. The company also operates in the Middle East through offices in Dubai

and Riyadh. In Asia, the company strengthened its regional presence through its established leadership structure, with offices in Thailand, Malaysia, Indonesia, Vietnam, Singapore, China, Hong Kong, Japan, and the Philippines serving regional clients and providing distributed capacity for global accounts.

Human Resources and Talent Management

As of 31 December 2025, the workforce stood at over 5,300 professionals across 22 development and service centers in 20 countries. The AIEV proficiency framework, described in detail in the capability chapter, covers four tiers from Aspirant through Champion, with over 1,400 engineers validated through eight competency groups on a 90-day review cycle as of April 2026.

The company's performance evaluation system links 15% of the developer scorecard to skill acquisition, creating a direct connection between learning investment and career progression.

The company ran internal innovation programs during FY 2025 to accelerate AI adoption across the engineering workforce. Code Carnival 2.0, held in February 2025, drew over 220 participants across software development, AWS, and Azure tracks in a competitive coding and cloud proficiency challenge. The Agentic AI Idea-a-thon invited engineers to propose AI-driven solutions to operational and business problems, generating 47 submissions across engineering, HR, operations, healthcare, and enterprise transformation, with winning entries including AI-driven CI/CD automation and DICOM imaging analysis. The AI-in-SDLC Showcase series ran in two editions during the year. The first edition in July 2025 collected 25+ implementation stories demonstrating measurable gains from Cursor and GitHub Copilot in development workflows. The second in December 2025 received 48 innovation pitches evaluated for business impact, scalability, and engineering quality. The top implementations from each

program were presented to the leadership team, and the series contributed to embedding AI tooling into day-to-day engineering practice across the delivery organization.

Quality Management and Information Security

R Systems holds active certifications for ISO 9001:2015 and ISO 27001:2022, with SOC2 Type 2 assessment and CMMI Level 5 appraisal in place for its IT operations. The company achieved HITRUST R2 certification, adding a healthcare-specific security framework to the existing certification portfolio. Integrated management system certifications covering Quality (ISO 9001), Information Security (ISO 27001), and Privacy (ISO 27701) are maintained across the company's delivery locations, with the 2022 version of the Information Security standard implemented at these sites. The Computer Emergency Response Team operates across five regions with 24/7 incident response capability, supporting client environments and internal systems simultaneously.

Strategic Direction for 2026

2026 is the year AI moves from experimentation to execution. Across industries, the proof-of-concept phase is closing. What remains is the harder work of moving AI into production, building systems that perform reliably at scale and within the governance boundaries that enterprise environments demand, sustained by the engineering discipline that keeps them running over time. For the digital product engineering industry, this transition separates firms built for outcome-led delivery from those still structured around inputs.

R Systems is investing in 2026 across four pillars:

1. Data readiness, as it is the foundation on which all AI performance depends.
2. Engineering velocity and AI acceleration across the software development lifecycle.
3. Agentic AI solutions, as business functions become ready for autonomous execution
4. Legacy modernization to move opaque systems toward intelligence before they can participate in what comes next.

EXIQO integrates these pillars, pairing AI-native engineering talent and enterprise-grade agentic infrastructure with a governed delivery methodology built for production environments. As the digital product engineering industry navigates this reinvention, the company remains committed to building the talent depth and platform maturity, alongside the delivery discipline, that AI execution at enterprise scale demands.

EXIQO

The AI Studio

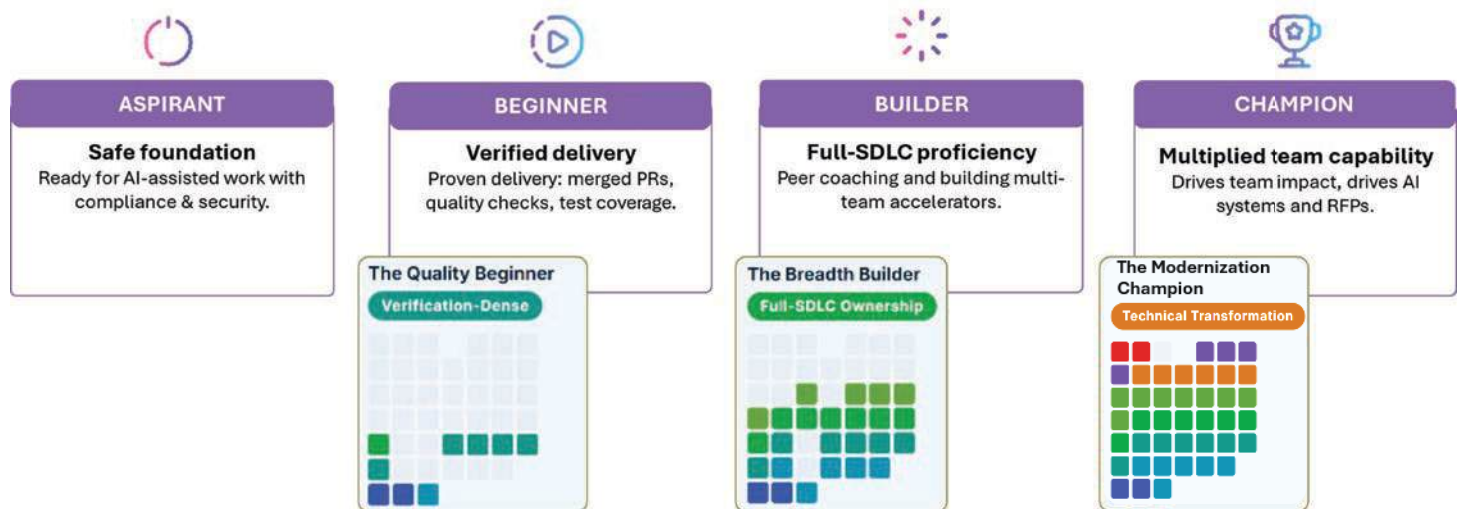


EXIQO launched commercially on 19 March 2026 as R Systems' dedicated, outcome-accountable AI studio, built over the course of FY 2025. It integrates the company's AIEV practitioner base and OptimaAI platform with a structured delivery methodology into a single offering with measurable accountability from the first month. The studio addresses a pattern R Systems observed across its client base, where the distance between enterprise AI tool access and sustained delivery results is where most AI initiatives stall.

The industry treated AI adoption as a tooling problem, assuming that capable models in the hands of engineers would deliver organization-level productivity. Across client engagements, the company watched those gains plateau at the individual level. The same model produces production-grade work in experienced hands and unreliable output in less experienced ones. The variable is the engineer, trained, assessed, verified against production standards, and embedded within a governed delivery methodology. That observation is why EXIQO was launched. AI adoption is primarily a human question before it becomes a tooling question.

According to research conducted by the company in collaboration with Everest Group, only 15% of enterprises have successfully operationalized agentic AI at scale, citing integration complexity, governance risks, legacy system constraints, and talent readiness gaps as barriers.

AIEV: 4-Level Proficiency Framework



Engineered for Accountability

The engineering workforce behind EXIQO comprises over 1,400 AIEV practitioners across R Systems' global delivery hubs, with the pool expanding each quarter as the program continues to add certified engineers. The practitioner base is governed by a four-tier proficiency framework that classifies every engineer based on demonstrated capability rather than self-reported skill or training completion. Validation runs across eight competency groups on a 90-day review cycle, with advancement tied to production evidence and regression possible if delivery quality drops. The full framework is described in the *Capability That Verifies* chapter.

Among these roles, the Forward Deployed Engineer (FDE) has had the largest effect on the velocity of AI projects. An FDE works inside the client's own environment from the first day rather than passing requirements back and forth across

organizational lines, and that proximity removes much of the delay that normally builds up between a working pilot and a deployed AI solution. R Systems is forward deploying its own AIEV-proficient AI engineers into active client engagements, where they own delivery from build through to live operation.

OptimaAI provides the platform foundation, operating with 150+ digital agents and 18 industry blueprints alongside a library of prebuilt accelerators and reusable workflow packs. It accelerates every stage of the SDLC from requirements through release, extends governed agent-assisted execution to business operations workflows in finance, HR, sales, legal, and procurement, and makes legacy systems fully legible before any migration begins. The full platform architecture is described in the *Platform and Technology Architecture* chapter.

EXIQO engagements move from scoping to production-grade delivery within 90 days, with KPIs tracked through the client's own systems and the AIEV pod embedded from day one.

The case studies documented throughout this report are EXIQO engagements. The AIEV practitioners behind each deployment, OptimaAI governing the agent workflows, the methodology ensuring cost sustainability and compliance at every stage, and the domain expertise accumulated through years of vertical-specific delivery are the integrated components that EXIQO engagements deliver as a single accountable offering.

Platform and Technology Architecture



AgentForge

20+ templates

Pre-built templates to launch agents fast.



ConnectorKit

50+ integrations

Connects to existing enterprise tools



GuardRail Engine

Security suite

Built-in safety and compliance



Knowledge Hub

RAG & knowledge base

Grounds every agent in client data



OrchestrateAI

Multi-agent

Coordinates agents across workflows



HumanGate

HITL governance

Human oversight at decision points



InsightOps

Observability

Full visibility into every agent action



EvalKit

Testing & evaluation

Validates output before deployment



R Systems' technical leadership during FY 2025 operated through OptimaAI, the company's AI engineering foundation that underpins every production deployment described in the capability chapters of this report. OptimaAI is built on a five-component value framework covering governance and foundation models, connectors and integrations, prompts and evaluations, industry value chains, and customer insights. Each component carries production responsibility, and the integration between them is what makes OptimaAI an engineering platform rather than a tool catalogue.

The platform expanded during the year through agentic workflow orchestration, automated compliance verification, multi-model deployment architecture, and domain-aligned agent libraries. As of the close of FY 2025, OptimaAI operates with 150+ digital agents, 18 industry blueprints, and a library of prebuilt accelerators and reusable workflow packs that AIEV practitioners deploy across client engagements.

OptimaAI introduced a governed agentic runtime fabric with planner-executor patterns, state management, and built-in controls for approvals, retries, and escalation. This architecture enabled multi-agent workflows to operate within enterprise compliance requirements with full auditability across all AI-driven actions.

Agent coverage expanded from individual use cases to 35+ industrialized SDLC workflows spanning requirements, development, testing, deployment, and support. The platform also completed a transition from prompt engineering to context engineering systems, building a library of 1,500+ reusable prompt templates and domain-specific frameworks that reduced variability in agent outputs. OptimaAI adopted a model-agnostic architecture during the year, supporting execution across multiple LLM providers without vendor lock-in, and added pre-built connectors for enterprise systems, including Jira, GitHub, CI/CD pipelines, and cloud platforms. Across client deployments, the platform delivered 30% to 50% productivity gains in repeatable engineering tasks and 2 to 3x engineering velocity through agent-first execution.

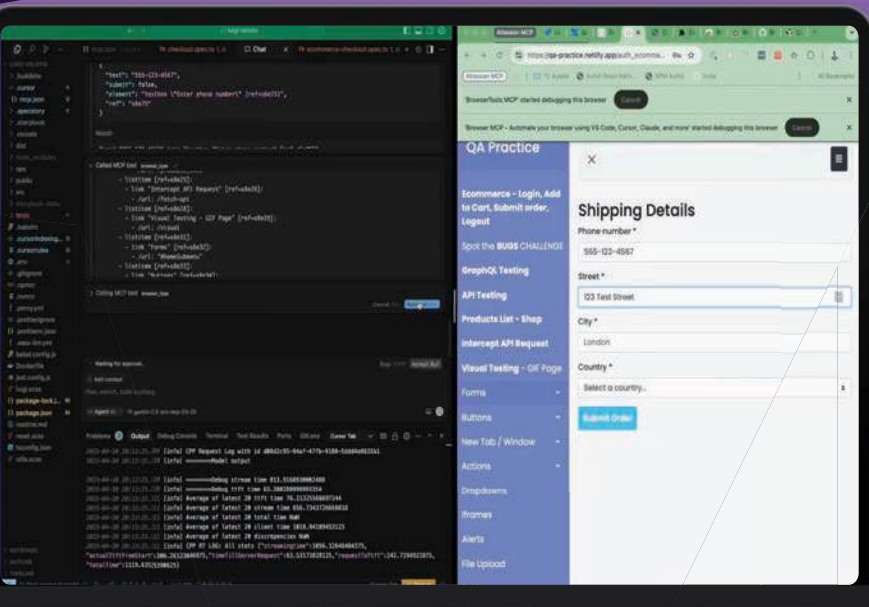
The Agents We Sent to Production

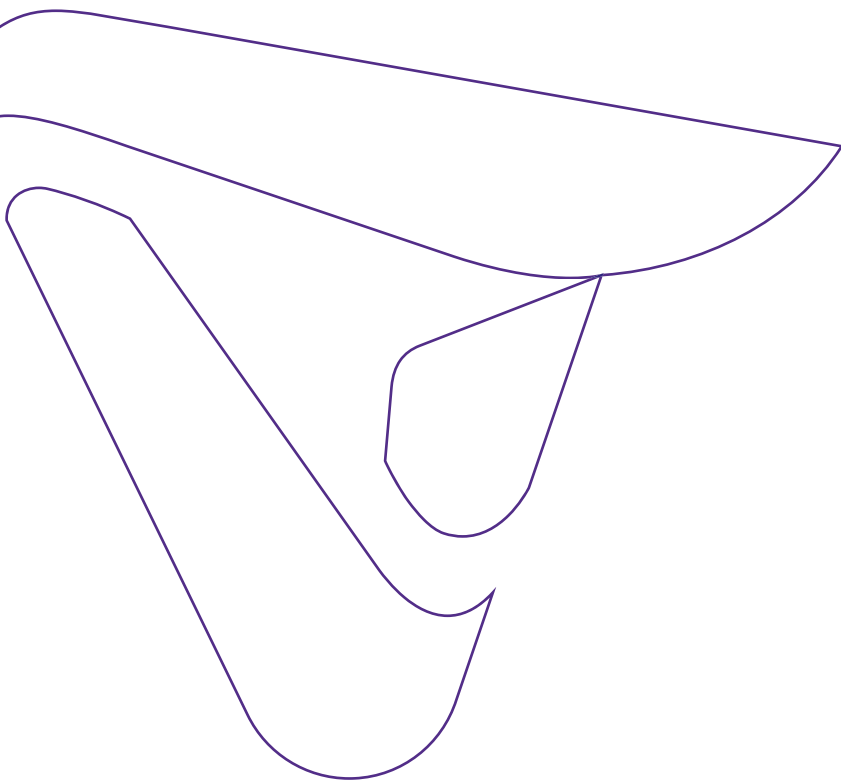
The three engagements that follow are the representative production deployments where R Systems put AI agents into client systems and kept them in production long enough to measure the result. Each solved a different class of problem, but the engineering choice across all of them was where to draw the boundary between agent-handled and human-handled work.

The assessment authoring platform built for a healthcare education provider is the engagement where the boundary between AI generation and human validation carried the most operational consequence. The platform automated the entire authoring lifecycle using multi-source retrieval across learning material, clinical guidelines, and the client's proprietary content library, with AI guardrails filtering content and observability infrastructure scoring quality at every stage. The 75% reduction in authoring effort followed from the range of tasks the AI handled under governance.

The PHP monolith to Java microservices migration is the engagement where AI handled scale that manual rewriting could not have absorbed inside the client's timeline. Custom parsers extracted PHP modules into Abstract Syntax Trees, RAG-based agents mapped legacy constructs to Java three-tier templates, and semantic validation pipelines ran automated code quality checks across every generated module. The platform cut manual migration effort by 75% and reached 90% migration completeness with 4x faster per-module delivery.

A global e-commerce platform engagement deployed a full pipeline of SDLC agents covering Jira ticket generation, intent-to-code translation, autonomous testing, and infrastructure automation. The program embedded agent-orchestrated workflows across the development lifecycle with continuous agent-driven testing pipelines and human-in-the-loop feedback built into the LLM improvement cycle, producing 2x development velocity and a 4x increase in QA throughput. Across these deployments, the agents handled code generation and testing while managing the deployment pipelines. The engineers determined where agent output was reliable enough to ship and where human review had to intervene before anything reached production.





Confirmed Production Outcomes

These five engagements are illustrative of R Systems' FY 2025 production work, each one having delivered tangible AI outcomes. They are a selection from a larger body of delivery completed across the year.

75%

effort savings on NGN assessment authoring at a leading healthcare education provider, with parallel AI generation producing 4x productivity gain.

40%

faster agent delivery and 3x platform scale at a conversational AI platform provider through unified chat, voice, and agentic workflow tooling.

25%

increase in user retention and 2x more data writes at an enterprise work management platform through a production-grade multi-agent system built natively on AWS AgentCore.

70%

member utilization rate at a digital healthcare navigation platform across 1 million+ members, with a Net Promoter Score (NPS) of 90, and a 27% reduction in emergency room visits.

70%

faster engineer onboarding and 50% routine support overhead eliminated at a leading warehouse software provider, where reverse-engineering agents mapped 3 million lines of undocumented code through agentic pair-programming and remote support agents automated the support lifecycle across seven components.

Capability That Verifies

R Systems rolled out the AIEV proficiency framework during FY 2025 to solve a AI-proficiency assessment problem. The IT services industry has treated training hours and certification counts as proxies for AI readiness, and every large service provider now reports six-figure trained-employee numbers. Those numbers possibly describe exposure to AI tooling. They do not ascertain whether an engineer can deliver production-grade work inside a client environment. The metric the industry is missing is verified proficiency, and that is what AIEV measures.

AIEV classifies every engineer into one of four proficiency tiers based on verified capability. Aspirants have cleared the Responsible AI and Compliance gate that confirms readiness to begin AI-assisted work safely inside a client environment. Beginners have demonstrated verified delivery, with merged pull requests, quality checks, and test

coverage on record. Builders have full-SDLC proficiency and contribute to peer coaching and multi-team accelerators. Champions have designed, built, tested, and shipped multi-agent systems in client production environments and can architect new agentic deployments from initial requirements through governance and ongoing operations.

The AIEV engineering workforce across the company global delivery hubs comprised 1,400 validated practitioners as of April 2026, with capability verification running across eight competency groups assessed on a 90-day review cycle by panels of three Champions and one external assessor. The Responsible AI and Compliance group is a mandatory entry gate. The remaining seven groups cover delivery fundamentals, verification and quality, SDLC breadth, advanced tooling, complex delivery, enablement, and business impact. Advancement is evidence-based, and regression is possible if delivery quality drops.

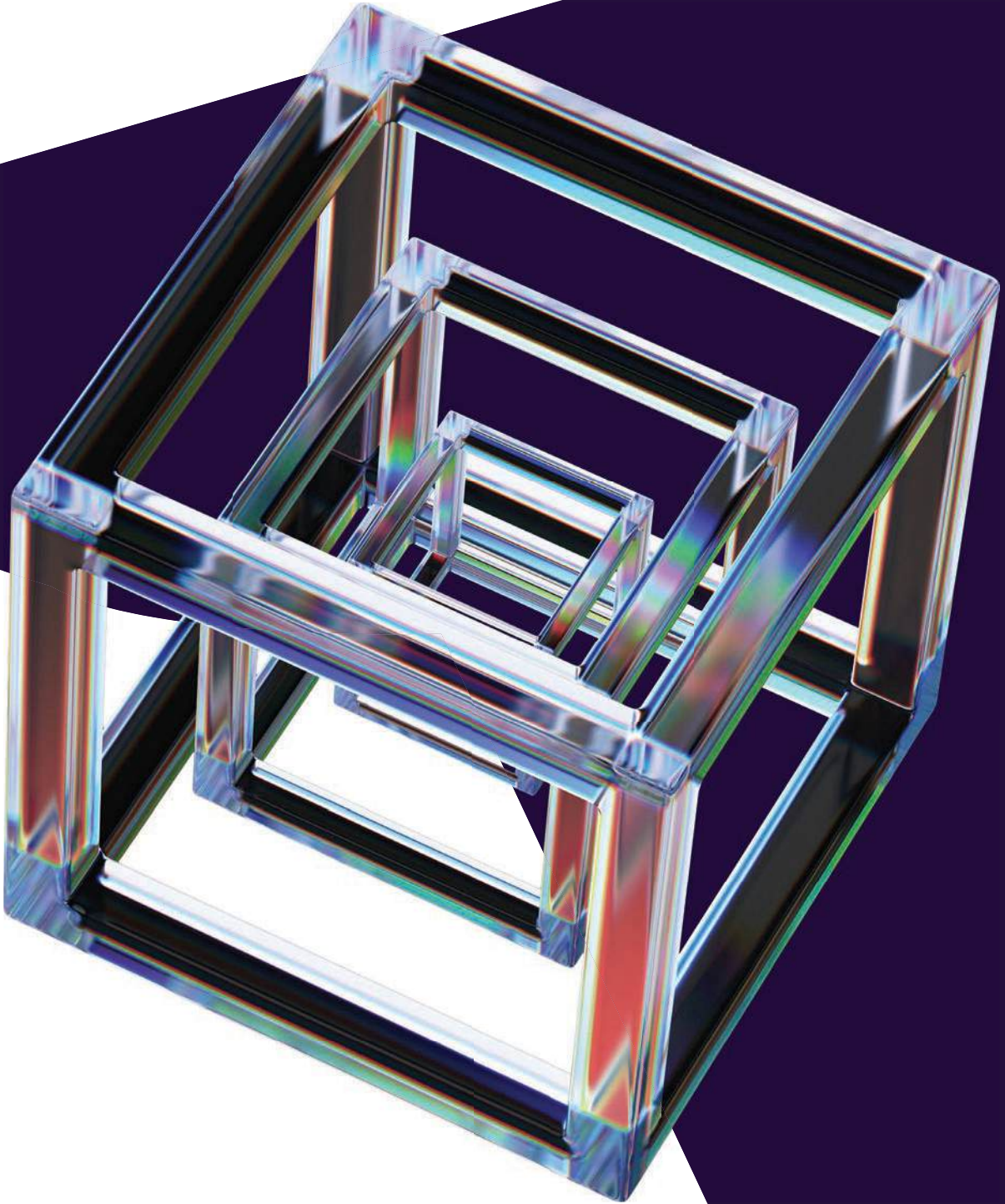
The roles that R Systems fills in production engagements have evolved alongside this certification

structure. Agent orchestrators design and manage multi-agent systems and determine how human review integrates into the pipeline. Domain specialists carry deep vertical expertise and guide AI deployments within the regulatory, operational, contractual, and technical constraints of each client environment. Platform engineers build the infrastructure, observability, cost monitoring, and governance layers that keep agentic systems sustainable in production.

AIEV scales engineering depth and domain context transfer across engagements because it is foundational to how every engineer is assessed, verified, and advanced. The company has restructured its internal career architecture to tie progression to demonstrated proficiency rather than tenure. In a market where training completion is still treated as a proxy for AI capability, verified proficiency is a structural advantage the company has been building deliberately.



Cost Discipline and Domain Depth



Cost Discipline

Traditional software engagements carry predictable cost structures. Engineering hours, infrastructure costs, licensing fees, and vendor support contracts can be projected at scope-definition and tracked against budget through delivery. Agentic engagements do not have that predictability. Compute charges, API token consumption, model inference costs, and infrastructure overhead run in parallel with labor costs and escalate rapidly without structured monitoring. A deployment that produces measurable velocity metrics in its first month can become uneconomical by the third if cost governance was treated as a feature to be added later rather than a structural requirement from the start.

Every EXIQO engagement carries a cost engineering layer from the first month, designed into the delivery methodology rather than a post-facto audit. The four components are compute cost monitoring, token-level usage tracking, compliance verification, and observability. Compute monitoring measures every agent's resource consumption against projected budgets continuously. Token-level usage tracking identifies which agent behaviors are cost-efficient and which need optimization at the individual task level. Compliance verification runs continuously inside the agent pipeline rather than as a separate post-deployment audit, so that every agent output touching a regulated data category is checked against applicable rules before it proceeds. Observability provides visibility into agent decision paths, error rates, latency, token consumption, and output quality at each pipeline stage.

The embedded reporting modernization engagement in

FY 2025 demonstrated this in operating terms. The \$300,000 in annual licensing cost reduction held up past the initial deployment phase because the FinOps governance layer was built in from day one rather than added retrospectively.

Domain Depth

Generic AI capability is available to any engineering team with an API key and a compute budget, and the availability of that capability has compressed the time required to build functional prototypes in almost every software category. The time required to move from a functional prototype to a reliable production system operating inside a specific industry's regulatory, operational, contractual, and technical constraints has not compressed at all. R Systems earns engagement renewals and extensions in specific verticals because the company's engineers carry the domain context required to close that distance, context that accumulated over years of sustained engagement.

In payments processing, the company engineers understand the operational difference between a code change that can be deployed during a standard maintenance window and one that requires a full regression cycle with downstream settlement-system notifications because it touches clearing logic. In healthcare IT, the team's accumulated knowledge of HIPAA requirements, HL7 integration standards, clinical workflow constraints, and hospital IT operational realities shapes every deployment decision. In enterprise SaaS, R Systems teams embedded inside client product organizations understand release cadence, feature flag architecture, customer

segmentation logic, and technical debt priorities that govern what ships and when. In regulated financial services, R Systems engineers carry the regulatory reporting standards, audit-trail requirements, change control protocols, and trading system constraints that determine where AI-assisted work can run autonomously and where human approval is mandatory. During FY 2025, domain depth was the cited reason for engagement extension across multiple client accounts in payments, healthcare provider technology, enterprise SaaS, and regulated financial services.



Key Engagements of the Year

350+ SAS Programs Migrated with Zero Manual Errors

SAS to Databricks migration for an insurance provider

Challenge: A leading insurance provider needed to migrate 350+ SAS programs powering actuarial, finance, regulatory, and operational workflows to Databricks, while managing the risk of parallel runs between the legacy and target platforms.

Solution: A GenAI-powered migration accelerator parsed SAS logic, macros, and PROC steps, converted them to Spark SQL and PySpark, generated unit tests, flagged ambiguities for subject matter expert review, and delivered an automated reconciliation framework that compared outputs at the dataset, column, and metric level with tolerance thresholds and audit trails.

Over **60%** faster migration through automation accelerators.

Approximately **\$250K** savings in SAS licensing and legacy infrastructure costs.

Cloud Migration and Platform Modernization at Enterprise Scale

Azure migration and DevOps transformation for a global manufacturing leader

Challenge: Following a corporate separation, a global manufacturing company faced a hard deadline to migrate its IoT monitoring platform from a legacy data center being decommissioned.

Solution: Azure Data Box moved over 300 terabytes of data and 100+ servers without service disruption. The platform was then modernized with Azure App Service, SQL Managed Instance, and infrastructure-as-code automation through GitHub Actions and Bicep.

300+ terabytes migrated with 99.9% uptime maintained across 40,000 sites.

20% cloud cost reduction with onboarding accelerated from weeks to hours.

2,000+ Oracle Reports Migrated at Enterprise Scale

Oracle Reports to Jasper migration for a global insurance company

Challenge: Oracle Reports reaching end-of-life forced a global insurance company to migrate 2,000+ complex reports across multiple countries, with PL/SQL to Java/SQL conversion required and zero tolerance for reporting downtime.

Solution: Automated inventory assessment and one-to-one template mapping through OptimaAI catalogued the full report estate in hours. Automated converters for headers, footers, charts, and tabular data eliminated repetitive manual conversion work while preserving full business logic across every report.

Over **40%** faster migration through automation accelerators.

2,000+ reports migrated with zero business disruption.

Demand Forecasting Unified Across Six Product Lines

AI-governed demand intelligence for smart access technology leader

Challenge: A smart access technology leader had fragmented forecasting across six product lines, with siloed projections across sales, operations, and finance functions producing low-trust outputs that teams routinely overrode.

Solution: A governed forecasting layer deployed through OptimaAI unified demand intelligence across all six verticals, implemented multi-horizon forecasts at one, three, six, and twelve-month intervals, and built human-in-the-loop review gates with audit-ready traceability that restored cross-functional trust in the forecast outputs.

5-10% MAPE achieved across all product categories

90 days From assessment to full production scale

45 Reports Delivered in 8 Weeks at 2x Velocity

Payment orchestration platform and report migration for a global FinTech

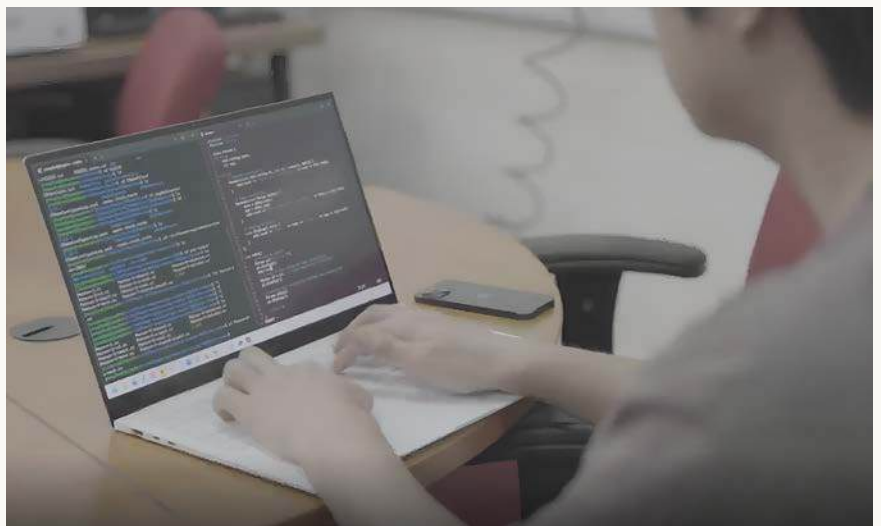
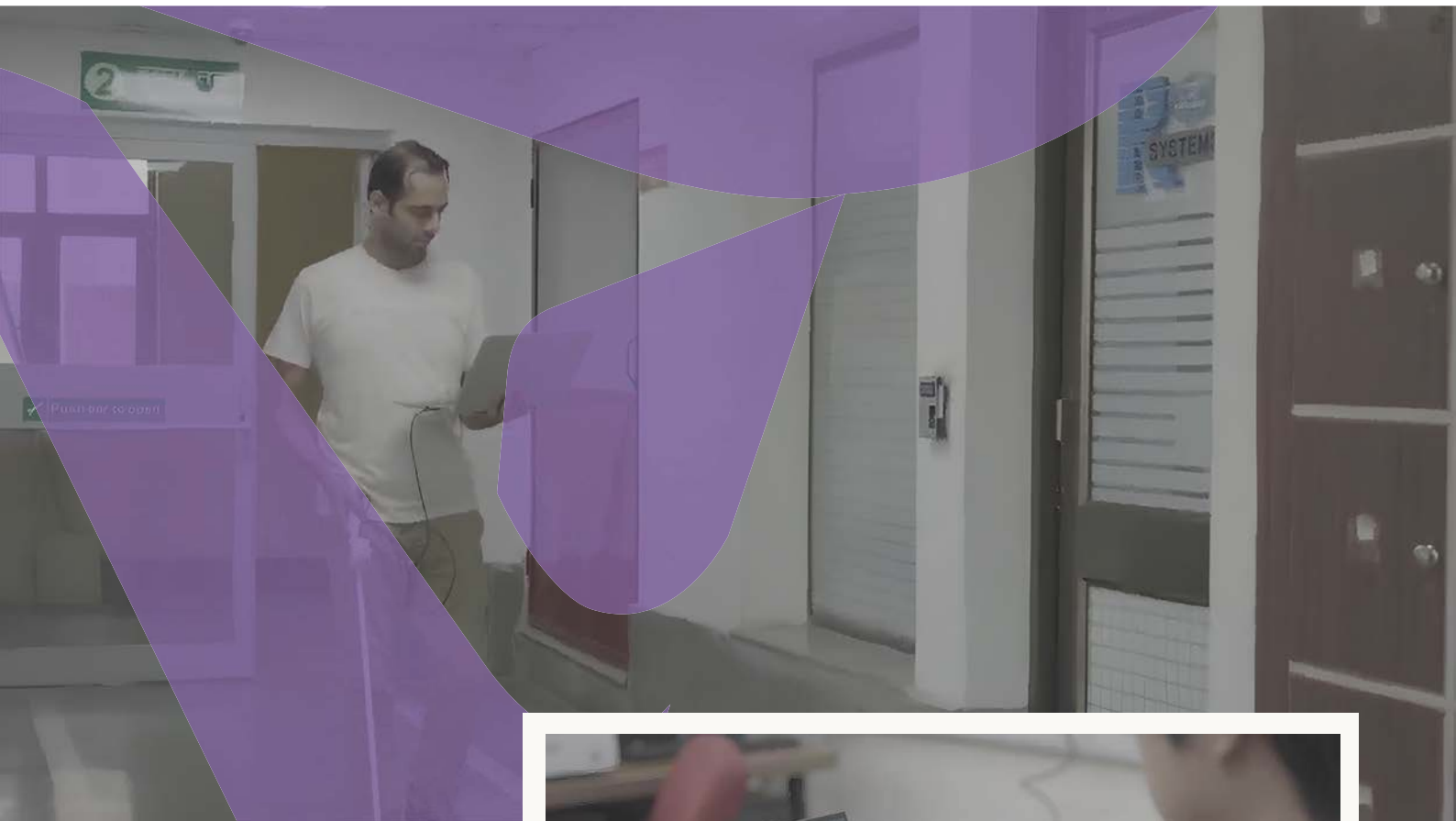
Challenge: A global FinTech company operating a payment orchestration platform needed 45 complex Looker reports fully rebuilt to match client coding standards within an eight-week fixed deadline, using a React team with zero Vue.js 3 experience.

Solution: Cursor agents deployed through OptimaAI coordinated the development workflow, built reusable prompt templates per chart type that pushed code reuse from 10% to over 40%, moved engineers through the AIEV Beginner-to-Builder pathway so they were delivering production-quality Vue.js 3 code from the first sprint without classroom training, and tracked velocity gains weekly through the client's own pipeline systems.

2x Development velocity with 50% effort reduction

40%+ Code reuse across the report migration

\$300,000 in annual Looker licensing savings.



Talent and Capability Development



R Systems continued its long-term partnership with IIT Delhi through the Center of Excellence focused on AI-led innovation, sustainability, and advanced digital research during FY 2025. Joint research initiatives spanned AI, machine learning, climate informatics, energy-efficient computing, and responsible AI, with the collaboration aligning enterprise-level engineering challenges with academic research frameworks.

Active research projects during the year included AI-enabled indoor navigation for complex environments such as healthcare facilities and smart campuses, frameworks for intelligent model selection to optimize machine learning performance and sustainability, energy-efficient on-chip AI accelerator architectures for edge and embedded systems, robustness testing for deep neural networks in security-critical applications, and energy-efficient multimodal search across enterprise data lakes. A deep learning framework for sub-seasonal climate prediction of rainfall extremes over India was initiated during the year, alongside the development of an AI-powered tutoring framework for next-generation coding and learning environments.

The skill-linked job architecture, which ties compensation and career progression to demonstrated proficiency rather than seniority, expanded across delivery roles and engineering specializations during the year. The effect is a workforce that understands precisely where its capabilities fall within the AIEV framework, what investment is required to move along the proficiency curve, and why that movement directly affects the quality of client engagements and the premium the company can command in the talent market.

Centers of Excellence in AI, cloud, data, analytics, and mobility continued to produce reusable assets and client accelerators during the year. The objective is a delivery model that is repeatable across engagements, so that what works for one client in payments can be adapted for the next client in healthcare without rebuilding the foundational architecture from scratch.

The Irreducible Variable

Six engineers describe a moment each from FY 2025 when the production outcome turned on a decision they made.







Ashwini Patil

BI Capability Tower Lead and ESTAITEX Platform Architect

The Oracle Reports to Jasper Reports migration looked simple from the outside, two thousand reports across multiple countries, but the actual problem sat inside the PL/SQL. Some of those blocks ran past a thousand lines, and most had been edited and re-edited over the years with no documentation explaining why. A new developer opening one of those functions could spend three or four days just figuring out what the original author had intended.

Our internal accelerator handled the simple and moderate cases, but the deeply nested undocumented logic was beyond it. We brought in GitHub Copilot, and I made a call about how we would use it. We were not going to use it to write the converted code. We were going to use it to read the existing code. That distinction mattered.

Once Copilot was breaking down the existing logic and surfacing the dependencies between blocks, the conversion turned into a structured engineering task. Our PL/SQL expert could rewire the logic correctly because he was no longer fighting through the opacity first. Time on complex function analysis dropped by approximately 60%.

The harder problem was that Copilot's suggestions were sometimes unsafe in the client's specific environment. It would propose moving heavy logic to backend tables, or using scriptlets to simplify reporting. All valid recommendations in a system where you can change the architecture. The client could not change the architecture. Those modifications would have caused damage across interconnected systems we had not even mapped. Every AI suggestion had to be evaluated against architectural constraints and downstream side effects before we acted on it.

The migration completed on schedule. The approach also fed into ESTAITEX, which has grown from a set of BI accelerators into a framework where data, BI, and AI capabilities work from a common foundation. The Decision Intelligence layer is now in early demonstration with CXO stakeholders.



Dr. Samiksha Mishra

AI Capability Tower Lead and Senior AI Industry Leader

A healthcare revenue cycle management client was processing nearly 100,000 charts per month through a manual medical coding workflow. Both coding speed and coding accuracy had a direct impact on their revenue realization. Traditional automation could address isolated steps inside the process, but the complexity of clinical language, payer-specific rules, coding specificity requirements, and quality assurance checks meant that no single automation approach could handle the workflow end to end.

My team designed a hybrid AI system that combined NLP, machine learning, deterministic rules, and selective GenAI components into a multi-layer pipeline. The system handled intelligent ingestion of clinical documents, semantic understanding of medical context, coding recommendations, with confidence scoring, and validation checks. Human feedback and QA outcomes fed continuously back into the system to improve performance over time. The platform processed approximately 3,000 charts daily in just 2.5 hours, hitting production-grade accuracy in the 95% to 97% range.

The AI generated coding suggestions and marked many of them with a high confidence score. A high score said nothing about the audit and business risk a wrong code carries. It also missed the judgment that experienced coders accumulate over the years within payer and compliance frameworks. Those considerations lay outside what the system could see, which is why even a confident suggestion still needed a human to look at it.

A separate document-processing engagement exposed a related weakness. A model that coded accurately on familiar document formats lost significant accuracy the moment it met unfamiliar layouts and clinical documentation structured in new ways. I rebuilt the pipeline around a domain-specific language for syntactic feature extraction and added template-agnostic parsing, so the system no longer depended on recognizing a fixed format. The redesigned architecture routed each input by context, built features from the surrounding text, set confidence thresholds that decided what to escalate, and sent low-certainty predictions to a human reviewer. The model then generalized far better across encounter notes it had never seen, and its accuracy held instead of collapsing on unfamiliar input.

The decision that mattered most was where to draw the line between automated coding and human review. I built the system so that experienced coders could spend their time on exceptions and calls that required real judgment, rather than on repetitive volume. That line is a visible and auditable part of the architecture, and making it explicit moved the project from an AI experiment into something the client now runs in production.

The coders who once worked through sheer volume now spend their hours on exceptions and the clinical calls that carry real weight. Their corrections and the QA results keep sharpening the model, and every coded chart still carries the audit trail the compliance team needs.





Priyanka Kadle

ESTAITEX Platform,
ETL and Database Modernization Architect

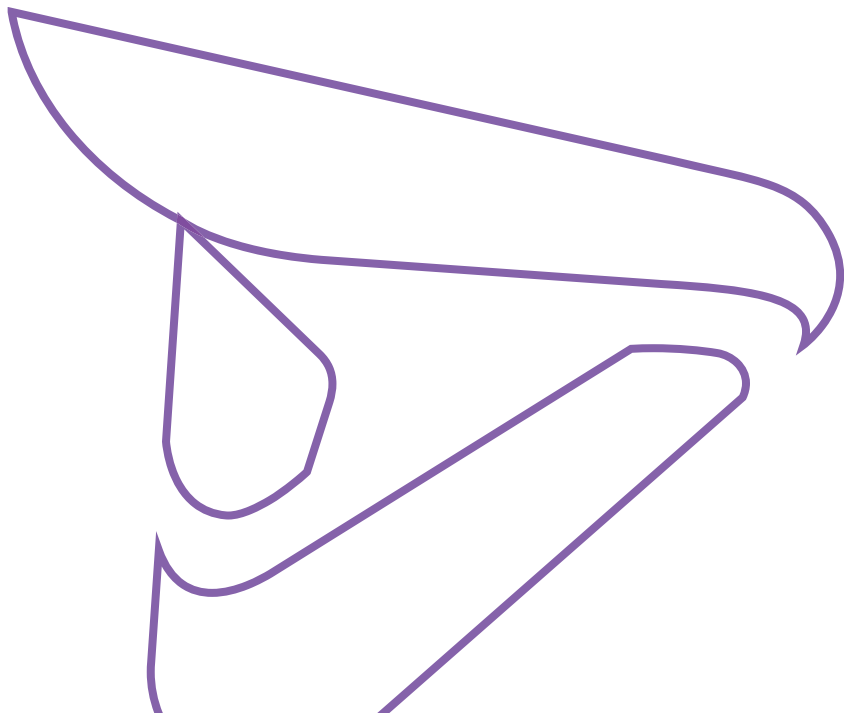
We were responding to a Synapse-to-Databricks migration RFP. The client placed strong emphasis on demonstrating migration accelerators, and we did not have one ready.

I made the call to invest the team's time in building an accelerator for the response rather than describing capabilities in documentation. I scoped it for reuse from the start, so the investment would carry beyond this single RFP.

We picked Cursor because it could compress the development timeline enough to make that investment viable inside the RFP window. The estimate without Cursor was two months or more. We delivered in under a month.

AI executed on detailed instructions and accelerated a solution approach we had already designed. Proposing the right approach on its own was where it ran out of road. The patterns it suggested across different problems looked similar, regardless of the constraints inside each engagement. To get useful output, I had to walk it through the intended thought process step by step. The architecture and the design intelligence had to come from us. AI handled the execution speed, and that time compression is what made the investment viable inside the RFP window.

The accelerator covered all key migration phases and was demonstrated to the client as part of the RFP response. It is now a critical component of the company's data engineering practice, deployed across migration engagements as a standard delivery asset.



Nayan Jain

Delivery Excellence Leader and
AI Reimagination Capability Tower Lead

Onboarding in most organizations is spread across HR, IT, Finance, Insurance, Security, and the hiring manager, with coordination happening through email and spreadsheets. The result is missed timelines, fragmented visibility, compliance gaps, and a frustrating experience for everyone involved. The client wanted onboarding treated as a single connected workflow rather than a series of departmental handoffs.

AI handled the high-volume routine portions of the workflow, including document data extraction, task generation and routing across departmental teams, and proactive notifications when handoffs slipped past their SLA windows. The redesigned platform also picked up cross-department dependency tracking, SLA monitoring with escalation paths, role-based dashboards, and full audit trail.

Trust was the part the system could not earn on its own. Adoption breaks down quietly when people feel a system is making decisions on their behalf without transparency. When the system's confidence in a data extraction was low, it had to surface the output for a human to review rather than proceed silently. I also had to step in when one team was masking 20 to 30-second response times with progress animations. They were treating a performance problem as a UX problem. We instrumented the full request lifecycle to find where the time was actually being spent.

The architecture I designed gave the system earned autonomy. The system handles routine work at speed, and a human endorses anything that carries consequence. Every workflow has a visible, auditable boundary between what is automated and what requires human approval. That boundary is what gave operations and compliance stakeholders confidence in the platform, and it was built into the architecture from the first week of the engagement.

The platform launched with a measurable reduction in onboarding cycle time, near-complete SLA visibility across all functions for the first time, and a noticeably better experience for new joiners and internal teams. The platform runs on an earned-autonomy model where AI handles routine volume and humans retain authority over consequential decisions.





Razvan Rusu

Lead Solution Architect, R Systems Europe

A customer brought us a technical problem they did not know how to solve. We discussed it internally and developed a viable solution approach. During the internal review, just one hour before the customer meeting, I had an idea for an alternative architecture that I believed would meet the customer's expectations more precisely. Drawing that architecture using standard methods would have taken at least half a day.

I described the alternative in detail and gave that description to Claude as input. After several rounds of iterative updates, Claude produced the architecture diagram inside the one-hour window. It included visual elements like color-coded error indicators that I had not specified but that improved the diagram's clarity. The speed allowed an idea that would otherwise have waited for a follow-up meeting to be presented while the customer's attention and context were still fresh.

AI is, in my experience, frequently too creative. It generates elements that are not necessarily needed by the solution. Sometimes those additions are useful, but most of the time the extra creativity introduces complexity I do not want. Getting useful output from AI requires providing as much accurate context as possible, because the assumptions I hold in my mind have to be explicitly stated for the AI to produce something meaningful. Without that explicit context, AI substitutes its own assumptions, which are often technically plausible but practically wrong for the specific client environment.

The decision was recognizing, one hour before the meeting, that a better architecture existed and that AI could compress the time required to produce it from half a day to under an hour. The other half of the decision was what to keep and what to discard from the AI's output. I removed the unnecessary complexity while retaining the useful visual additions. The architecture I presented was my design, with AI as the accelerator. My engineering judgment determined what belonged in the final version.

The alternative solution architecture went to the customer during the original meeting window, produced in under one hour through AI-assisted diagramming. The customer received a more precise solution proposal than our team's initial approach, with no delay.

Omkar Joshi

Senior Tech Lead, AI Platform Engineering

A client engineering team was spending a significant chunk of its working hours on incident response. When a production issue happened, engineers were manually navigating between four or five separate tools, monitoring dashboards, log stores, source code repositories, ticketing systems, trying to reconstruct what had gone wrong. The same categories of issues recurred regularly. Every time, an engineer was starting the investigation from scratch because no structured memory of prior resolutions existed.

My team designed an AI agent that performed the initial investigation automatically when an alert fired. The agent pulled the relevant logs, traced the failure across services, examined recent code changes, and produced a structured root cause analysis. It also checked whether the team had encountered the same pattern before and surfaced the previous resolution if one existed. Hours of manual investigation turned into a structured output delivered in a fraction of the time.

The agent could draft a remediation ticket and propose a fix. A developer had to approve before anything was committed. That boundary was deliberate, set based on how much autonomy the engineering organization was ready to accept. The agent handled the 'what' of an incident effectively and produced a structured analysis of where the failure had occurred, but the contextual factors human engineers carry into incident response were beyond it. The agent did not know whether a team had just shipped a risky migration, whether a code freeze was in effect, or any of the situational awareness that determines whether a fix should ship now or wait. That awareness, the knowledge of who is doing what and when, remains a human responsibility.

The critical decision was calibrating how much the agent should do independently and where a human needed to approve. I designed the system so the agent could investigate and recommend but could not act on its own. That calibration is what determined whether engineers adopted the tool or ignored it. The other decision was investing heavily in the context layer. That is the work that makes AI useful in production but never appears in a demonstration. We spent significant effort ensuring the AI had the right information in the right structure before it attempted to reason about anything, because client environments have messy logs, outdated documentation, and incomplete requirements that no model can compensate for on its own.

The system went into production as an automated incident response platform. Engineers recovered hours of investigation time each week. Repeat issues resolved faster because the system retained memory of prior resolutions. The quality of incident documentation improved because the agent produced structured root cause analyzes rather than ad hoc notes.





Sustainability and CSR Programs

R Systems' corporate social responsibility program during FY 2025 operated through structured partnerships with nonprofit organizations across India, Europe, and Asia, with activities spanning education access, vocational training, healthcare and nutrition, community welfare, environmental restoration, and women's empowerment. All projects were reviewed and approved under the CSR Committee's governance framework.

In India, the company partnered with Akshaya Patra Foundation to provide over 106,000 mid-day meals to approximately 1,685 children across eight schools in Delhi and Pune during the reporting period. The Aatmaja Foundation in Pune supported 85 underprivileged girl students with educational sponsorships, mentorship, and career guidance across professional streams, including engineering, law, commerce, and other skill-based courses. Pratham Education Foundation trained 80 underserved youth in vocational healthcare skills at a center in Ahilyanagar, Maharashtra, with placement support through

Pratham's employer network. Through PARAS India, R Systems extended the PAHAL education and community development model from its existing center in Nand Lal Basti, Delhi, to a new center in Rajiv Camp, Delhi, reaching approximately 4,000 community members through awareness programs on education, health, menstrual hygiene, cyber safety, and government welfare schemes. The Silai School initiative, also through PARAS India, trained 20 women in Delhi's informal settlements in sewing and tailoring skills across four batches, reaching 214 direct and indirect beneficiaries and enabling participants to establish micro-enterprises in their communities.

Environmental programs during the year included a Miyawaki urban forest plantation in Delhi through Green Yatra, where 2,317 saplings across 48 native species were planted on an 800-square-meter site at Sanjay Gandhi Transport Nagar with a two-year maintenance commitment. Sankalp Taru Foundation conducted an additional urban plantation program. In Moldova, the team

planted 1,900 saplings as part of the Friendship Forest initiative in Chisinau.

In Europe, the employees in Romania partnered with Asociația Magic to provide 56 fully equipped school supply backpacks to children affected by burns and oncological conditions. Twenty-five volunteers from offices in Bucharest, Craiova, Brasov, and Sibiu participated in the Climb Again construction project, building an outdoor sports rehabilitation facility in Nucsoara for youth with special needs. Across Asia, the Singapore office organized a community food drive through local food banks, and the Thailand team conducted a donation drive providing clothing, toiletries, and educational supplies to vulnerable youth at Karuna Bangpoo.

All projects are reviewed and approved under a structured governance framework that ensures alignment with company values, compliance with local regulations, and a documented connection between funds deployed and outcomes achieved.



Industry Recognition and Certifications



R Systems was named a Leader in the Everest Group Software Product Engineering Services for Mid-Market Enterprises PEAK Matrix Assessment 2025, an upgrade from the Major Contender position held in 2024. Dun and Bradstreet included the company in its India's Top 500 Value Creators 2025 list, continuing the company's presence on a benchmark of value-creating enterprises across the country.

ET NOW recognized us among its Best Tech Brands 2025 in the 6th Edition of the Best Brands Conclave. Jombay awarded us the WOW Workplace recognition for 2025 in the IT, ITes, and GCC category.

R Systems achieved UiPath Diamond Partner status and was recognized as a UiPath Agentic Automation Fast Track Partner in November 2025, the highest tier within the UiPath Partner Network.

We also achieved HITRUST R2 certification during the reporting period, adding the highest tier of HITRUST assurance to a certification portfolio that also includes ISO 9001 for Quality Management, ISO 27001 for Information Security, ISO 27701 for Privacy Information Management, SOC2 Type 2 for Security and Availability, PCI DSS (ver. 4.0) for Payment Card Industry compliance, and CMMI Level 5 for Capability Maturity Model Integration. All certifications are maintained through annual audit cycles across the company's primary delivery centers.



Dun & Bradstreet India's Top 500 Value Creators 2025



Jombay WOW Workplace 2025, IT, ITes, and GCC



ET NOW Best Tech Brands 2025



HITRUST R2 2025



UiPath Diamond Partner and Agentic Automation Fast Track Partner

Everest Group PEAK Matrix 2025

Rated Leader in Software Product Engineering
Services for Mid-Market Enterprises
Upgraded from Major Contender in 2024



Great
Place
To
Work®

Certified

FEB 2025-FEB 2026

Great Place
to Work®
2025

Corporate Information

(As on May 27, 2026)

Board of Directors

- | | |
|--|---|
| 1. Mrs. Ruchica Gupta
(Chairperson & Non-Executive Independent Director) | 4. Mr. Amit Dalmia
(Non-Executive Director) |
| 2. Mr. Nitesh Bansal
(Managing Director & Chief Executive Officer) | 5. Mr. Animesh Agrawal
(Non-Executive Director) |
| 3. Mr. Mukesh Mehta
(Non-Executive Director) | 6. Mr. Kapil Dhameja
(Non-Executive Independent Director) |
| | 7. Mr. Aditya Wadhwa
(Non-Executive Independent Director) |

Chief Financial Officer

Mr. Nand Sardana

Company Secretary and Compliance Officer

Mr. Piyush Jain

Committees of the Board of Directors

Audit Committee

1. **Mrs. Ruchica Gupta**
(Chairperson)
2. **Mr. Kapil Dhameja**
(Member)
3. **Mr. Amit Dalmia**
(Member)
4. **Mr. Aditya Wadhwa**
(Member)

Stakeholders Relationship Committee

1. **Mr. Amit Dalmia**
(Chairman)
2. **Mr. Kapil Dhameja**
(Member)
3. **Mr. Animesh Agrawal**
(Member)

Nomination, Remuneration and Compensation Committee

1. **Mr. Kapil Dhameja**
(Chairman)
2. **Mrs. Ruchica Gupta**
(Member)
3. **Mr. Mukesh Mehta**
(Member)

Corporate Social Responsibility Committee

1. **Mr. Amit Dalmia**
(Chairman)
2. **Mr. Kapil Dhameja**
(Member)
3. **Mr. Animesh Agrawal**
(Member)

Risk Management Committee

1. **Mr. Amit Dalmia**
(Chairman)
2. **Mr. Kapil Dhameja**
(Member)
3. **Mr. Animesh Agrawal**
(Member)

Management Committee

1. **Mrs. Ruchica Gupta**
(Chairperson)
2. **Mr. Nitesh Bansal**
(Member)
3. **Mr. Animesh Agrawal**
(Member)
4. **Mr. Nand Sardana**
(Member)

Registered Office

GF-1-A, 6, Devika Tower, Nehru Place, New Delhi-110019

Corporate Office

3rd Floor, Tower No.- 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector-Techzone-IV, Greater Noida West, GautamBuddha Nagar, Uttar Pradesh, India 201306

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase II
Gurugram- 122002

Registrar & Share Transfer Agent

MUFG Intime India Private Limited
(formerly known as Link Intime India Private Limited)
Noble Heights, 1st Floor, Plot NH 2,
C-1, Block LSC, Near Savitri Market,
Janakpuri, New Delhi – 110058

Bankers to the Company

1. Axis Bank Limited
2. ICICI Bank Limited
3. California Bank and Trust
4. Natwest Bank
5. OCBC Bank
6. Royal Bank of Canada
7. DBS Bank Limited
8. BRD Groupe Societe Generale SA
9. Santander Bank

Listed at

1. National Stock Exchange of India Limited
2. BSE Limited

Subsidiaries of R Systems International Limited

1. R Systems, Inc., U.S.A.
2. R Systems Technologies Limited, U.S.A.
3. RSYS Technologies Ltd., Canada
4. RSIL Mexico, S. de R.L. de C.V., United Mexican States
5. R Systems Computaris International Limited, UK
6. R Systems (Singapore) Pte Limited, Singapore
7. R Systems Consulting Services Limited, Singapore
8. Novigo Solutions Private Limited, India

Subsidiary of R Systems (Singapore) Pte Limited

1. R Systems IBIZCS Pte. Ltd., Singapore

Subsidiaries of R Systems Consulting Services Limited

1. R Systems Consulting Services (M) Sdn. Bhd., Malaysia
2. R Systems Consulting Services (Thailand) Co., Ltd., Thailand
3. R Systems Consulting Services (Shanghai) Co., Ltd. People's Republic of China
4. R Systems Consulting Services (Hong Kong) Ltd., Hong Kong
5. R Systems Consulting Services Kabushiki Kaisha
6. R Systems Consulting Services Company Limited, Vietnam

Subsidiaries of R Systems Computaris International Limited, UK

1. R Systems Computaris Europe SRL, Romania
2. R Systems Computaris Poland sp z o.o., Poland
3. R Systems Computaris S.R.L, Moldova
4. R Systems Computaris Malaysia Sdn. Bhd., Malaysia
5. R Systems Computaris Philippines Pte. Ltd. Inc., Philippines
6. R Systems Computaris Suisse Sarl, Switzerland

Subsidiaries of R Systems IBIZCS Pte. Ltd., Singapore

1. R Systems IBIZ Sdn. Bhd., Malaysia
2. PT. R Systems IBIZCS International, Indonesia
3. IBIZ Consulting (Thailand) Co. Ltd., Thailand
4. IBIZ Consulting Services Limited, Hong Kong (IBIZ HK)
5. IBIZ Consulting Services (Shanghai) Co. Ltd., People's Republic of China (Wholly owned subsidiary of IBIZ HK)

Subsidiaries of Novigo Solutions Private Limited, India

1. Novigo Solutions Inc., U.S.A.
2. Novigo Solutions Limited, UK
3. Novigo for Information Technology, KSA
4. Novigo Solutions B.V., Netherlands

Board's Report

Board's Report

Dear Shareholders,

Your directors take great pleasure in presenting the Thirty Second Annual Report on the business and operations of R Systems International Limited ("R Systems" or the "Company") together with the audited financial statements of accounts for the financial year ended December 31, 2025.

1. Financial Results

Key aspects of the financial performance of your Company prepared as per the Indian Accounting Standards ("Ind AS") for the financial year ended December 31, 2025 are as under:

(INR in Million, except per equity share data)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Revenue From Operations	11,008.05	9,114.40	19,582.06	17,417.27
Profit before depreciation, exceptional items and tax	3,202.38	2,113.84	3,461.52	2,568.75
Less: Depreciation and amortisation expense	222.87	226.91	663.98	653.73
Profit before exceptional items and tax	2,979.51	1,886.93	2,797.54	1,915.02
Less: Exceptional items*	242.61	-	245.83	-
Profit before tax	2,736.90	1,886.93	2,551.71	1,915.02
Less: Current tax	591.14	457.38	763.96	678.38
Less: Deferred tax (credit)/expense	(82.95)	(56.00)	(74.21)	(75.18)
Profit after tax	2,228.71	1,485.55	1,861.96	1,311.82
Other comprehensive income	(5.62)	(1.48)	266.05	(5.76)
Total comprehensive income for the year	2,223.09	1,484.07	2,128.01	1,306.06
Balance brought forward	4,709.94	4,704.66	5,210.72	5,386.98
Less: Dividend paid	710.28	1,478.79	710.28	1,478.79
Balance carried forward	6,222.75	4,709.94	6,354.82	5,210.72

*incremental estimated obligations on account of New Labour codes notified effective November 21, 2025.

2. Results of Operations

Standalone Accounts

Total revenue from operations during the year ended December 31, 2025 was INR 11,008.05 mn. as compared to INR 9,114.40 mn. during the year ended December 31, 2024, registering an increase of 20.78%.

Profit after tax for the year 2025 stood at INR 2,228.71 mn. as compared to INR 1,485.55 mn. in 2024, reflecting an increase of 50.03%.

Consolidated Accounts

Total revenue from operations during the year ended December 31, 2025 was INR 19,582.06 mn. as compared to INR 17,417.27 mn. during the year ended December 31, 2024, registering an increase of 12.43%.

Profit after tax for the year 2025 stood at INR 1,861.96 mn. as compared to INR 1,311.82 mn. in 2024, reflecting an increase of 41.94%.

The detailed state of affairs of the Company is presented as part of Management Discussion and Analysis Report forming part of this annual report.

During the year under review, there has been no change in the nature of the business of the Company.

3. Appropriations and Reserves

Dividend

During the year 2025, the Board of Directors of the Company (the "Board") declared interim dividend of INR 6/- per equity share of INR 1/- each at its meeting held on May 08, 2025. The Board has not recommended any final dividend for the financial year ended December 31, 2025. Subsequent to the year ended December 31, 2025, the Board declared an interim dividend for the year 2026 amounting to INR 6/- per equity share on INR 1/- each at its meeting held on March 06, 2026. The said dividend was paid on March 30, 2026.

Transfer to Reserves

In order to augment resources, your directors do not propose to transfer any amount to reserves.

4. Business & Outlook

R Systems is a global product engineering and digital solutions provider. We combine complex engineering, Data & AI, cloud-native capabilities with deep domain understanding to design and build innovative products for Tech, SaaS platforms and enterprises across industry verticals.

We leverage the power of Automation and Agentic AI to transform value chains to boost productivity and deliver differentiated customer experiences. With a culture of co-creation and an extensive partner ecosystem, we help customers navigate market shifts and drive sustained strategic growth. 2025 was the year AI moved from enablement to execution across our engagements. What began as assisted development is now evolving into AI-led engineering, with intelligent agents actively shaping how software is built, delivered, and scaled.

A defining moment this year was our AI-led engagement with a global digital payments leader. Using Cursor AI agents and MCP-driven workflows, our teams migrated 45 highly complex Looker reports into modern Vue.js dashboards, within an aggressive 8-week timeline. By placing AI at the center of the engineering process, we doubled development velocity, increased reusable code to over 40%, and delivered deployment-ready outputs with minimal regressions. The client described this approach as “a new standard for technology partnerships” - a strong validation of our AI-first, execution-focused model.

We also strengthened our position in the evolving AI ecosystem through a strategic partnership with Mavvrik, focused on helping enterprises bring financial discipline to rapidly scaling AI and cloud environments. Together, we are enabling organizations to move from reactive cost tracking to proactive financial governance, combining our Dexterity Assessment Framework with Mavvrik's real-time cost intelligence platform to deliver unified visibility, enforce cost controls, and enable faster, more informed investment decisions.

Further strengthening our ability to deliver cloud-native, AI-powered transformation at scale, we deepened our alliance with Microsoft, earning an Advanced Specialization in Kubernetes and securing five Solutions Partner designations across Infrastructure, Data & AI, Digital & App Innovation, Business Applications, and Security.

On the growth and innovation front, the acquisition of Novigo significantly strengthened our digital engineering and AI capabilities while expanding our footprint across key industries and geographies. We also launched our Global Innovation Centre in India, reinforcing our commitment to building AI-native engineering excellence and nurturing future-ready talent.

Our solutions portfolio expanded with the launch of the IoT Smart C2C Connector, built on Amazon Web Services. This solution helps service providers manage diverse smart home devices, ensuring seamless connectivity and interoperability across platforms.

We deepened our market engagement through our Analyst Day and GCC-focused events across regions, creating platforms to collaborate with industry leaders and co-create scalable transformation journeys. A key milestone was our contribution to the GCC Report “Forging Ahead: Strategic Partnerships between GCCs and Service Providers”, developed with NASSCOM and Oliver Wyman, which highlights the shift of GCCs into transformation hubs and the growing importance of partnership-led ecosystems to drive innovation, agility, and enterprise impact.

Our global expansion continued with new office spaces in Pune, Chennai, Thailand, and Poland, alongside steady momentum in Mexico, where our teams are delivering high-impact work across multiple customer engagements. Several long-standing client relationships also scaled significantly,

with multiple engagements now exceeding 100-member teams, reflecting growing trust and strategic alignment.

As we move into 2026, our focus is clear: to lead as an AI-first engineering organization, powered by human expertise. Our strength lies in the combination of strong engineering DNA, global talent, and real-world execution experience, augmented by AI that doesn't just assist, but acts.

We see the rise of autonomous enterprises - organizations where AI drives decisions, accelerates execution, and operates at scale. Our role is to enable this shift: bringing together engineering velocity, intelligent automation, and human ingenuity to help our clients build systems that are adaptive, resilient, and future-ready.

The opportunity ahead is not just about adopting AI, but about operationalizing it - responsibly, effectively, and at scale. And we are well positioned to help our clients make that leap.

5. Recognition, Awards and Accolades

Our continued focus on excellence and impact has been recognized through several prestigious accolades in 2025. These honors reflect our progress across advancing technology capabilities, driving forward-looking innovation, delivering cutting-edge solutions, and strengthening our workplace culture and customer-centricity. Some of the key recognitions received during the year include:

1. Recognized as a Leader in Everest Group's Software Product Engineering Services for Mid-market Enterprises PEAK Matrix® Assessment 2025.
2. Certified as a Great Place to Work in 6 countries across 3 continents.
3. Featured in India's Top 500 Value Creators 2025 by Dun & Bradstreet.
4. Recognized as ET NOW's Best Tech Brands 2025 by Times Group.
5. Awarded with Jombay's WOW Workplace Award for 2025 in the IT, ITes, and GCC Category.
6. Recognized as a UiPath Agentic Automation Fast Track Partner and Diamond Partner within the UiPath Partner Network.

6. Merger & Amalgamation

The Board of Directors, at its meeting held on September 11, 2024, had approved, subject to necessary approvals, the composite scheme of amalgamation of Velotio Technologies Private Limited (“Velotio”) and Scaleworx Technologies Private Limited (“Scaleworx”) with the Company, in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme”). Scaleworx is a wholly-owned subsidiary of Velotio, which in turn is a subsidiary of the Company.

Subsequent to year under review, the Hon'ble National Company Law Tribunal, New Delhi (“NCLT”), vide its order dated April 16, 2026, has sanctioned and approved the Scheme. The Scheme became effective on May 01, 2026, upon filing of the certified copy of the said order with the Registrar of Companies, NCT of Delhi-I.

Pursuant to the Scheme becoming effective, Velotio and Scaleworx stand amalgamated with the Company and consequently dissolved without undergoing the process of winding up. Accordingly, the equity shares of Velotio and Scaleworx stand cancelled.

Further, the optionally convertible redeemable preference shares ("OCRPS") held by the OCRPS holders in Velotio stand cancelled. In consideration thereof, the Company has issued its 5,160,833 OCRPS ("RSIL OCRPS") to such holders in accordance with the swap ratio specified in the Scheme. Upon completion of the tenure of RSIL OCRPS, and subject to the terms specified therein, such RSIL OCRPS shall be converted into equity shares of the Company.

The Scheme is expected to simplify the group structure, improve operational efficiencies and create long-term value for stakeholders.

7. Acquisition

Pursuant to Share Purchase Agreement dated August 21, 2025 entered into between the Company, Novigo Solutions Private Limited ("Novigo") and shareholders of Novigo, the Company completed the acquisition of 100% equity shares of Novigo on November 13, 2025, at a consideration of INR 4,000 million. Novigo was incorporated on June 25, 2013 as a private limited company under the Companies Act, 2013 ("Act"). Novigo is in the business of information technology services including digital and product engineering services.

This acquisition significantly strengthens R Systems' digital product engineering capabilities in key domains such as FinTech and Hi-Tech. It further enhances our expertise in the Agentic AI space, uniquely positioning the combined entity to deliver AI-led intelligent automation at scale. Additionally, the acquisition will expand our presence in the fast-growing Middle East market, while expanding our delivery footprint in Mangalore, Kochi and Bengaluru, recognized hubs for world-class product engineering talent.

The erstwhile shareholders of the Novigo also holds compulsory convertible preference shares ("CCPS") of the Novigo and the Company may at a later stage, as may be approved by the Board, acquire such CCPS, subject to the terms and conditions set out in the shareholders agreement dated August 21, 2025, entered into between Novigo, Company and Praveen Kumar Kalbhavi, Mohammed Hanif, Shihab Mohammed Kalandar and Mohammed Jarood Musthafa.

8. Directors & Key Managerial Personnels (KMPs)

During the financial year ended December 31, 2025, there was no change in the composition of the Board and Key Managerial Personnel of the Company.

In accordance with the provisions of Section 152 of the Act. Mr. Animesh Agrawal, Non-Executive Director, being liable to retire by rotation, will retire at the ensuing AGM and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the approval of the Members. A brief profile of Mr. Animesh Agrawal, as required under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI Listing Regulations"), forms part of the Notice convening the ensuing AGM.

All Directors have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act. The Directors have also submitted the requisite declarations and disclosures, including those relating to independence, interest and compliance with the Code of Conduct, as applicable under the Act and the SEBI Listing Regulations.

Based on the declarations received from the Independent Directors, the Board is satisfied that all Independent Directors of the Company meet the criteria of independence as prescribed under Section 149(6) of the Act and SEBI Listing Regulations. In the opinion of the Board, the Independent Directors possess the requisite integrity, expertise and experience (including proficiency) required to effectively discharge their duties.

Further, subsequent to the end of the financial year, Mr. Bhasker Dubey resigned from the position of Company Secretary & Compliance Officer with effect from the closing hours on May 06, 2026, and Mr. Piyush Jain was appointed as Company Secretary & Compliance Officer of the Company with effect from May 07, 2026.

Brief resume and other details of the Director being re-appointed at the ensuing AGM as stipulated under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI Listing Regulations, are separately disclosed in the Notice of ensuing AGM, forming part of this Annual Report.

9. Share Capital

During the year under review, there was no change in the authorized share capital of your Company.

During the year under review, the Company has allotted equity shares under Management Incentive Plan 2023 ("MIP 2023") to the employees of the Company and its subsidiaries.

The share capital structure of the Company as at January 01, 2025 and December 31, 2025 is as follows:

Sr. No.	Particulars	As at January 01, 2025	As at December 31, 2025
1.	Authorised Share Capital:		
	Equity shares of INR 1/- each	206,000,000	206,000,000
2.	Issued, Subscribed and Paid-Up Capital:		
	Equity shares of INR 1/- each fully paid-up	118,303,445	118,403,582

Subsequent to year ended on December 31, 2025, and till the date of this report, the company had allotted 82,893 equity shares to the identified employees of the Company and its subsidiaries companies under MIP 2023.

Further, pursuant to the Scheme, as sanctioned by the NCLT, vide order dated April 16, 2026, and which became effective on May 01, 2026, the authorised share capital of the Company stands reclassified and increased.

Further, in accordance with the terms of the Scheme, the Company has allotted RSIL OCRPS to the eligible shareholders of Velotio, in consideration for cancellation of their OCRPS holdings in Velotio.

Consequently, as on date of this report, the authorised, issued, subscribed and paid-up Capital of the Company is as follows:

Sr. No.	Particulars	As on date of this report
1.	Authorised Share Capital:	
	Equity shares of INR 1/- each	201,800,000
	Preference Shares of INR 1/- each	5,200,000
	Total Authorised share capital	207,000,000
2.	Issued, Subscribed and Paid-Up Capital:	
	Equity shares of INR 1/- each fully paid-up	118,486,475
	OCRPS of INR 1/- each fully paid-up	5,160,833
	Total Issued, Subscribed and Paid-Up Capital	123,647,308

10. Amendment to Memorandum of Association and Restatement of Articles of Association

Pursuant to the Scheme sanctioned by the NCLT and effective from May 01, 2026, the Memorandum of Association of the Company stands amended to reflect the revised authorised share capital of the Company. Further, the Articles of Association of the Company have been restated in accordance with the provisions of the Scheme.

11. Debentures

During the year, the Company issued and allotted 27,500 (Twenty Seven Thousand Five Hundred) listed, rated, unsecured, senior, redeemable non-convertible debentures ("Debentures") having a face value of INR 100,000 (Indian Rupees One Lakh) each, aggregating to INR 2,750,000,000 (Indian Rupees Two Hundred and Seventy-Five Crores), on a private placement basis.

The Debentures are listed on the Wholesale Debt Market segment of BSE Limited.

The proceeds from the issuance of Debentures have been fully utilized towards payment of consideration for the acquisition of Novigo, being the purpose for which the funds were raised, in accordance with the terms of the issue.

The contact details of the Debenture Trustee are as follows:

Catalyst Trusteeship Limited

Address: 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013
Telephone: (022) 4922 0555
E-mail: compliancectl-mumbai@ctltrustee.com

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

The particulars as prescribed under Section 134(1)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 for the year ended December 31, 2025, are as follows:

A. Conservation of Energy

During the financial year ended December 31, 2025, the Company continued to focus on optimal energy utilisation through various energy efficiency measures, including deployment of energy-efficient equipment, replacement of conventional lighting with LED fittings and regular preventive maintenance of equipment.

During the year, the Company also transitioned all its office premises to leased facilities, which are equipped with modern infrastructure and energy-efficient systems. This transition is expected to support improved energy efficiency in operations.

The Company utilises energy-efficient air conditioning systems, including centralised and split units, to optimise energy consumption across its facilities. It continues to evaluate and adopt appropriate technologies and practices to enhance energy efficiency.

The details relating to energy consumption are provided in the Business Responsibility and Sustainability Report forming part of this Annual Report. Considering the nature of the Company's operations, energy costs do not constitute a significant portion of the overall cost structure.

B. Technology absorption

1. Efforts made towards technology absorption

During the financial year ended December 31, 2025, the Company continued to strengthen its capabilities in emerging technologies, with a focus on artificial intelligence (AI), cloud, data analytics and intelligent automation.

The Company established a Global Innovation Center in Noida to drive applied research, innovation and solution development across key technology domains. This initiative enables collaboration among internal teams, clients and ecosystem partners to accelerate development and deployment of technology-led solutions.

The Company further advanced its AI-led strategy through continued enhancement of its proprietary frameworks and platforms, including OptimaAI, to support scalable and efficient deployment of AI solutions across industries.

In addition, the Company developed ESTAITEX, an AI-enabled platform for business intelligence, data integration and database modernisation, aimed at enhancing analytics capabilities and supporting data-driven decision-making.

2. Benefits derived as a result of the above efforts

The Company's continued investments in digital technologies have strengthened its market positioning, enhanced delivery capabilities and supported business growth.

Key outcomes achieved include:

- Improved productivity and efficiency in software development through adoption of AI-led engineering practices;
- Enhanced platform modernisation and accelerated migration to cloud-native architectures;
- Strengthened ability to deliver scalable, high-availability solutions with improved performance metrics; and
- Increased client engagement through development of integrated and future-ready digital platforms.

3. Technology imported during the last 3 years

Not applicable, as no technology has been imported by the Company.

4. Expenditure incurred on Research and development

The Company continues to invest in research and development initiatives, particularly in the areas of AI, data platforms and digital engineering practices, to enhance its service offerings and maintain competitive advantage.

These investments have strengthened the Company's capability to deliver scalable, innovative and future-ready solutions aligned with evolving client requirements and industry trends.

C. Foreign Exchange Earnings and Outgo (Accrual Basis)

A significant percentage of R Systems' revenues are generated from exports. All efforts of the Company are focused on increasing software export business across various products and markets. We have made investments in sales and marketing activities to expand into growing markets.

The total foreign exchange used and earned by R Systems during the year as compared with the previous year is as follows:

(Amount in INR)

	Particulars	Financial Year ended	
		December 31, 2025	December 31, 2024
(a)	Earnings (Accrual Basis)	10,963.90	9,098.43
(b)	Expenditure (Accrual Basis)	1,210.82	1,006.77
(c)	CIF value of imports	-	-

13. Update on Corporate Office of the Company

The Company has shifted its Corporate Office to 3rd Floor, Tower No. 1, IT/ITES SEZ of Artha Infratech Private Limited, Plot No. 21, Sector TechZone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh - 201306, India, with effect from April 14, 2025.

14. Subsidiaries

As on December 31, 2025, R Systems has thirty two subsidiaries. The name and country of incorporation of those subsidiaries are as follows:

Sr. No.	Name of subsidiary	Country of Incorporation
1.	R Systems, Inc.	USA
2.	RSYS Technologies Ltd.	Canada
3.	R Systems Technologies Limited	USA
4.	R Systems Computaris International Limited	UK
5.	R Systems Computaris Europe S.R.L. ¹	Romania
6.	R Systems Computaris Poland sp z. o.o. ¹	Poland
7.	R Systems Computaris S.R.L. ¹	Moldova
8.	R Systems Computaris Malaysia Sdn. Bhd. ¹	Malaysia

9.	R Systems Computaris Philippines Pte. Ltd. ¹	Philippines
10.	R Systems Computaris Suisse Sarl ¹	Switzerland
11.	R Systems Consulting Services Limited ²	Singapore
12.	R Systems Consulting Services (M) Sdn. Bhd. ³	Malaysia
13.	R Systems Consulting Services (Thailand) Co., Ltd. ³	Thailand
14.	R Systems Consulting Services (Shanghai) Co., Ltd. ³	People's Republic of China
15.	R Systems Consulting Services (Hong Kong) Ltd. ³	Hong Kong
16.	R Systems Consulting Services Kabushiki Kaisha ³	Japan
17.	R Systems Consulting Services Company Limited ³	Vietnam
18.	R Systems (Singapore) Pte Limited	Singapore
19.	R Systems IBIZCS Pte. Ltd., Singapore ⁴	Singapore
20.	R Systems IBIZ Sdn. Bhd. ⁵	Malaysia
21.	PT R Systems IBIZCS International ⁵	Indonesia
22.	IBIZ Consulting (Thailand) Co. Ltd. ⁵	Thailand
23.	IBIZ Consulting Service Limited (IBIZ HK) ⁵	Hong Kong
24.	IBIZ Consulting Service Shanghai Co., Ltd ⁶	People's Republic of China
25.	Velotio Technologies Private Limited ⁷	India
26.	Scaleworx Technologies Private Limited ⁷	India
27.	RSIL Mexico, S. de R.L. de C.V.	United Mexican States
28.	Novigo Solutions Private Limited ⁸	India
29.	Novigo Solutions Inc., ("Novigo US") ^{8 & 9}	USA
30.	Novigo Solutions Limited ("Novigo UK") ^{8 & 9}	UK
31.	Novigo for Information Technology ("Novigo KSA") ^{8 & 9}	Kingdom of Saudi Arabia
32.	Novigo Solutions B.V. ^{8 & 9}	Netherland

1. Wholly-owned subsidiaries of R Systems Computaris International Limited, UK
2. The shareholding held by the Company and R Systems (Singapore) Pte Limited is 69.37% and 30.38%, respectively.
3. Wholly-owned subsidiary of R Systems Consulting Services Limited, Singapore
4. Wholly-owned subsidiary of R Systems (Singapore) Pte Limited, Singapore
5. Wholly-owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore
6. Wholly-owned subsidiary of IBIZ Consulting Services Limited - Hong Kong

7. Amalgamated with the Company on May 01, 2026.
8. Became subsidiary w.e.f. November 13, 2025.
9. Wholly owned subsidiaries of Novigo Solutions Private Limited.

During the year 2025, the Company has acquired 100% equity shares in Novigo.

Subsequent to the year ended December 31, 2025, pursuant to the Order effective from May 01, 2026, Velotio and Scaleworx stand merged with the Company and have accordingly ceased to be its subsidiaries.

The Board of Directors of the Company regularly reviews the affairs of these subsidiaries. Policy for determining material subsidiaries of the Company is available on the website of the Company at <https://www.rsystems.com/corporate-governance/policies/>.

During the year 2025, the Company has complied with the provisions of Downstream Investment under Rule 23 of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("NDI Rules") and read with paragraph 9(7)(f) of RBI FED Master Direction No. 11/2017-18 dated January 04, 2018, as amended ("Master Directions"). The Company has obtained a Certificate from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company, certifying compliance with the downstream investment as mentioned in NDI Rules and Master Directions and same would be available at the AGM for inspection by members.

During the year 2025, the Company had two material subsidiaries, namely R Systems, Inc., USA, and R Systems Computaris Europe S.R.L., Romania, both are incorporated and based outside India.

A statement containing the salient features of the financial statements of our subsidiaries in the prescribed Form AOC-1 is attached at the end of consolidated financial statements of the Company. The statement also provides the details of the performance and financial position of each of the subsidiaries.

Further, the audited annual accounts and related detailed information of our subsidiaries, wherever applicable, will be made available to shareholders seeking such information at any point of time. The annual accounts of the subsidiary companies will also be available for inspection by the shareholders at Registered Office of R Systems i.e. GF-1-A, 6, Devika Tower, Nehru Place, New Delhi-110019 and Corporate Office of R Systems i.e. 3rd Floor, Tower No.- 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector-Techzone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh, India, 201306 and Registered Offices of the subsidiary companies concerned during business hours. The same is also hosted on R Systems' website i.e. www.rsystems.com.

15. Particulars of employees

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure A**, which forms part of this Report.

Further, the statement containing particulars of employees as required under Rule 5(2) of the aforesaid Rules forms part of this Report. However, in terms of Section 136(1) of the Act, the Annual Report is being sent to the Members excluding these details. The said annexure is available for inspection by the Members upon request. Any Member interested in obtaining a copy of the same may write to the Company Secretary at

the Registered Office of the Company or send a request through email.

Further, in terms of the proviso to Rule 5(2) of the aforesaid Rules, the particulars of employees posted and working outside India are not being circulated to the Members. However, such particulars shall be filed with the Registrar of Companies along with the financial statements and Board's Report.

16. Employee Stock Options/Restricted Stock Units

The industry in which R Systems operates is people intensive and R Systems believes that human resources play a pivotal role in the sustainability and growth of the Company.

Therefore, to incentivize, reward, and motivate employees to contribute effectively towards the future growth and profitability of the Company, and to align them with the common objective of creating value for the Company, the members of the Company have approved the R Systems MIP 2023 through a resolution passed via Postal Ballot on November 15, 2023.

During the year ended December 31, 2025, Nomination, Remuneration and Compensation Committee has granted 805,380 restricted stock units ("RSUs") to the eligible employees and allotted 100,137 equity shares pursuant to the exercise of RSUs.

Disclosure as required under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2022 ("SEBI SBEB Regulations") are available on the Company's website: <https://www.rsystems.com/investors-info/annual-reports/>. The Secretarial Auditor's certificate confirming that the implementation of plan is in accordance with SEBI SBEB Regulations will be made available at the AGM.

17. Directors' responsibility statement

Pursuant to the requirement of Section 134 (3)(c) read with Section 134(5) of the Act, with respect to directors' responsibility statement, your Board, to the best of its knowledge and ability, hereby confirm that:

- i. in the preparation of the annual accounts for the financial year ended December 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts for the financial year ended December 31, 2025 on a going concern basis;
- v. the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. Statutory Auditors and Audit Report

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, [Firm's Registration No. 117366W/W-100018], were re-appointed as the statutory auditors of your Company in the AGM held on June 20, 2022 for a term of five years until the conclusion of the 33rd AGM of the Company.

The Auditors have issued an unmodified opinion on the Financial Statements, both standalone and consolidated, for the financial year ended December 31, 2025. During the year 2025, the statutory auditors have not reported any matter under Section 143(12) of the Act. The said Auditors' Report(s) for the financial year ended December 31, 2025, on the financial statements of the Company forms part of the Annual Report.

19. Prevention and prohibition of sexual harassment of women at workplace

Respect for Human Rights is a fundamental value of R Systems. At R Systems, it is our desire to promote a healthy and congenial working environment irrespective of gender, caste, creed or social class of the employees. The Company has framed a policy on Prevention of sexual harassment of women at workplace and has constituted an Internal Complaints Committee ("ICC") under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which entertains the sexual harassment complaints made by any aggrieved women employees. During the year ended December 31, 2025, there was no complaints reported to ICC of sexual harassment.

Particulars	Details
Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed off during the year	
Number of cases pending for more than ninety days	

20. Corporate Governance

As required under the SEBI Listing Regulations, the detailed report on corporate governance is given as **Annexure B** to this report and the certificate obtained from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company, regarding compliance of the conditions of corporate governance as stipulated in the SEBI Listing Regulations is annexed as **Annexure C** to this report.

21. Customer relations

R Systems recognizes that the customers have a choice of service providers and the directors would like to place on record their gratitude on behalf of the Company for the business provided by them. The Company's quality policy mandates that the voice of the customer is obtained on a regular basis. We constantly review the feedback and incorporate its impact into our delivery systems and communications.

22. Stakeholder's relations

R Systems is inspired by its customers and its employees transform that inspiration and customers' needs into value for all stakeholders. We thank all R Systems employees worldwide for their hard work, commitment, dedication and discipline that enables the Company to accomplish its customer commitments and commitments to all its stakeholders.

We strengthened our leadership bench in 2025 through strategic C-suite appointments that accelerated our transformation agenda. R Systems is certified as a Great Place To Work® which is a testament to R Systems' dedication to creating an inclusive and dynamic work environment across its global operations. It highlights the Company's commitment to building a culture that values trust, collaboration, and innovation. We thank our shareholders for their continuous support and confidence in R Systems. We are aware of our responsibilities to our shareholders to provide full visibility of operations, corporate governance and creating superior shareholder value and we promise to fulfill the same.

23. Management discussion and analysis report

In terms of the SEBI Listing Regulations, Management Discussion and Analysis Report is given as **Annexure D** to this report.

24. Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report of the Company for the financial year ended December 31, 2025 as required under Regulation 34(2)(f) of the SEBI Listing Regulations forms part of this Report as **Annexure E**.

25. Secretarial Auditor and Secretarial Audit Report

The Shareholders of the Company in their 31st AGM held on June 12, 2025, appointed M/s. DPV & Associates LLP, Company Secretaries (FRN No. L2021HR009500), as the Secretarial Auditors of the Company for a term of five (5) consecutive years commencing from the conclusion of 31st AGM till the conclusion of the 36th AGM of the Company. They have also confirmed that they are not disqualified from continuing as Secretarial Auditors of the Company in terms of provisions of the Act & Rules made thereunder and SEBI Listing Regulations.

M/s. DPV & Associates LLP conducted Secretarial Audit pursuant to the provisions of Section 204 of the Act and submitted the Secretarial Audit Report for the financial year ended December 31 2025. The report does not contain any qualification, reservations or adverse remark or disclaimer and is annexed to this report as **Annexure F**. Further, as per the applicable provisions of the SEBI Listing Regulations, the Secretarial Compliance Report was also filed with the stock exchanges, within the stipulated timeframe.

26. Vigil Mechanism/Whistle Blower Policy

In order to provide a mechanism to employees of the Company to disclose any unethical and improper practices or any other alleged wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse action against those employees, the Company has laid down a Vigil Mechanism also known as Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism or Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company at <https://www.rsystems.com/investors-info/corporate-governance/policies/>.

27. Criteria for selection of candidates for Membership on the Board of Directors and the Remuneration Policy

In accordance with Section 178 of the Act and other relevant provisions and on the recommendation of the Nomination Remuneration and Compensation Committee, the Board has established a criteria for selection of Directors and a policy for remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees. The Criteria for selection of candidates for Membership on the Board of Directors and the remuneration policy is available at the

website of the Company <https://www.rsystems.com/investors-info/corporate-governance/policies/>.

28. Board and Committees of the Board

The details of the composition of the Board and its Committees, including the number of meetings held during the financial year, are provided in the Corporate Governance Report, which forms part of this Annual Report.

The gap between two consecutive meetings of the Board and its Committees was within the limits prescribed under the provisions of Section 173 of the Act and the SEBI Listing Regulations.

During the year under review, all recommendations made by all the Committees were accepted by the Board.

29. Audit Committee

R Systems has a qualified and independent Audit Committee. The constitution of the Committee is in compliance with the provisions of the Act and the SEBI Listing Regulations. Detailed description of the Audit Committee has been given in Corporate Governance Report. The terms of reference and role of the Committee are as per the provisions set out in the SEBI Listing Regulations and Section 177 of the Act, read with rules made thereunder and includes such other functions as may be assigned to it by the Board from time to time. The Committee has adequate powers to play an effective role as required under the provisions of the Act and SEBI Listing Regulations. During the year under review, the Board of the Company had accepted all the recommendations of the Audit Committee.

30. Board Evaluation

To comply with the provisions of Section 134(3)(p) of the Act, read with the applicable rules and Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually (including Independent Directors, excluding the Director being evaluated), the Board as a whole and the following Committees of the Board:

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

The manner in which the annual performance evaluation has been carried out is detailed in the Corporate Governance Report, which forms part of this Annual Report. The Board is responsible for monitoring and reviewing the evaluation framework.

Further, in compliance with Regulation 25(4) of the SEBI Listing Regulations, the Independent Directors, at their separate meeting, evaluated the performance of the Non-Independent Directors, the Chairperson and the Board as a whole.

31. Particulars of Loans, Guarantees or investments

The details of loan, guarantees and investments covered under Section 186 of the Act and Schedule V of the SEBI Listing Regulations are provided in the notes to the accounts of the standalone Financial Statements for the financial year ended December 31, 2025.

32. Related Party Disclosure

In compliance with the provisions of Sections 177 and 188 of the Act, read with the applicable Rules and Regulation 23 of the SEBI Listing Regulations, the Company has obtained prior approvals, including omnibus approvals, from the Audit Committee and Board, as may be required for all related party transactions.

All contracts/arrangements/transactions entered into by the Company during the financial year ended December 31, 2025, with related parties, as defined under the Act and the SEBI Listing Regulations, were in the ordinary course of business and on an arm's length basis.

During the year under review, the Company and/or its subsidiaries have not entered into any contract/arrangement/transaction with related parties which could be considered as material in accordance with the Policy on related party transactions of the company.

None of the related party transactions were in conflict with the interest of the Company. The details of related party transactions are disclosed in Note No. 35 to the Standalone Financial Statements forming part of this Annual Report.

The Company has formulated a Policy on related party transactions in accordance with the provisions of the Act and the SEBI Listing Regulations. The Policy lays down the framework for identification, approval and reporting of related party transactions.

The Policy on related party transactions is available on the website of the Company at <https://media.rsystems.com/wp-content/uploads/2026/05/Policy-on-Related-Party-Transactions.pdf>.

Since all related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business and no material related party transactions were entered into by the Company, disclosure in Form AOC-2 in terms of Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

33. Internal Control System and Internal Financial Controls

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Auditors and the management monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Audit observations of Internal Auditors and corrective actions thereon are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, the statutory auditors of the Company, have audited the financial statements for the financial year ended December 31, 2025 and have issued unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

34. Risk Management

In terms of the SEBI Listing Regulations, the Board of Directors of the Company has constituted the Risk Management Committee to identify elements of risk in different areas of

operations, comprising of the members of the Board of Directors of the Company. The Company has developed and implemented a comprehensive Risk Management Policy including Cyber security for identification, assessment and monitoring of key risks that could negatively impact the Company's goals and objectives. This policy is periodically reviewed by the Risk Management Committee of the Board.

35. Corporate Social Responsibility

In compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), the Company has constituted a Corporate Social Responsibility Committee ("CSR Committee").

In pursuit of the responsibilities entrusted to the CSR Committee, a policy on Corporate Social Responsibility has been prepared and adopted by the Board. The objective of CSR Policy at R Systems is to support our constant endeavour to bring about positive difference to communities where we exist. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build R Systems into an organization which maximizes Stakeholder Value. The detailed policy is available at the website of the Company at following link: <https://www.rsystems.com/wp-content/uploads/2021/02/Corporate-Social-Responsibility-Policy.pdf>.

Annual Report on CSR activities of the Company in format prescribed in the CSR Rules is enclosed as **Annexure G** and forms part of this report.

36. Annual Return

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on December 31, 2025 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company and can be accessed using the <https://www.rsystems.com/investors-info/annual-reports/>.

37. Dividend Distribution Policy

The Board of Directors of the Company has formulated the dividend distribution policy in line with Regulation 43A of the SEBI Listing Regulations. The Policy broadly specifies the external and internal factors including financial parameters that shall be considered while declaring dividend and how the retained earnings shall be utilized, etc. The Dividend Distribution policy is available on the Company's website at <https://www.rsystems.com/corporate-governance/policies/>.

38. Credit Rating

Crisil Ratings has upgraded its rating on the long-term bank facilities of the Company. Furthermore, Crisil Ratings has assigned its 'Crisil AA-/Stable' rating on the non-convertible debentures issued during FY 2025.

The Company's strong focus on financial capital coupled with financial discipline and prudence are reflected in the strong credit ratings ascribed by the rating agencies, as under:

Rating Agency	Type of Instrument/facility	Rating/Outlook	Date of Rating
CRISIL	Total Bank Loan Facilities Rated	Crisil AA-/Stable (Upgraded from 'Crisil A+/Stable')	July 09, 2025
CRISIL	Non-Convertible Debentures	Crisil AA-/Stable (Assigned)	July 09, 2025
ICRA	Issuer Rating	[ICRA]AA-/Stable(Assigned)	October 30, 2025

39. Other Disclosures

During the financial year under review:

- the Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.
- the Company has complied with the statutory provisions of the Maternity Benefit Act, 1961.
- the Company has neither invited nor accepted any deposits from the public within the purview of the Act and the Rules made thereunder, and accordingly no amount on account of principal or interest on public deposits was outstanding as on December 31, 2025.
- the Company has not issued shares with differential voting rights and sweat equity shares.
- no disclosure is required under Section 67(3)(c) of the Act in respect of voting rights not exercised directly by employees of the Company, as the provisions of the said section are not applicable.
- the Company is not required to maintain Cost records under Section 148(1) of the Act.
- no significant or material orders were passed by the regulators or courts or tribunals which could impact the going concern status of the Company and its future operations.
- no material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company except as mentioned in this report elsewhere.
- No applications have been made, nor are there any proceedings pending under the Insolvency and Bankruptcy Code, 2016, during the year. Additionally, the Company has not engaged in any one-time settlements with any bank or financial institution, either in India or abroad.
- There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

40. Acknowledgments

Your directors once again take this opportunity to thank the employees, investors, clients, vendors, banks, business associates, regulatory authorities including Stock Exchanges, Noida Special Economic Zone Authority, Software Technology Park of India, the Central Government, State Government of Delhi, Uttar Pradesh, Karnataka, Maharashtra, Tamil Nadu for the business support, valuable assistance and co-operation continuously extended to R Systems. Your directors gratefully acknowledge the trust and confidence and look forward for their continued support in the future.

For and on behalf of
R Systems International Limited

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Chişinău, Moldova
Date : May 27, 2026

Ruchica Gupta
Chairperson & Non-Executive
Independent Director
DIN: 06912329

Place : New Delhi
Date : May 27, 2026

Annexure A to the Board's Report

Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sr. No	Name of Director	Category	Ratio of the remuneration to the median remuneration of the employees
1.	Mrs. Ruchica Gupta	Chairperson and Non-Executive Independent Director	NA ¹
2.	Mr. Nitesh Bansal	Managing Director and Chief Executive Officer	51.71
3.	Mr. Mukesh Mehta	Non-Executive Director	NA ¹
4.	Mr. Amit Dalmia	Non-Executive Director	NA ¹
5.	Mr. Animesh Agrawal	Non-Executive Director	NA ¹
6.	Mr. Kapil Dhameja	Non-Executive Independent Director	NA ¹
7.	Mr. Aditya Wadhwa	Non-Executive Independent Director	NA ¹

¹Non-Executive Directors/Independent Directors are not entitled to any fixed or monthly salary or other remuneration except sitting fees.

B. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No	Name of Director/CEO/CFO/CS/Manager	Category	% increase in remuneration in the financial year
1.	Mrs. Ruchica Gupta	Chairperson and Non-Executive Independent Director	NA ¹
2.	Mr. Nitesh Bansal	Managing Director and Chief Executive Officer	(1.23%)
3.	Mr. Mukesh Mehta	Non-Executive Director	NA ¹
4.	Mr. Amit Dalmia	Non-Executive Director	NA ¹
5.	Mr. Animesh Agrawal	Non-Executive Director	NA ¹
6.	Mr. Kapil Dhameja	Non-Executive Independent Director	NA ¹
7.	Mr. Aditya Wadhwa	Non-Executive Independent Director	NA ¹
8.	Mr. Nand Sardana	Chief Financial Officer	17.45% ²
9.	Mr. Bhasker Dubey ³	Company Secretary and Compliance Officer	16.97% ²

¹Non-Executive Directors/Independent Directors are not entitled to any fixed or monthly salary or other remuneration except sitting fees.

²Inclusive of perquisite value of RSUs as per Income Tax Act, 1961.

³Subsequent to the year ended December 31, 2025, Mr. Bhasker Dubey has resigned from the post of Company Secretary and Compliance Officer.

C. Percentage increase in the median remuneration of employees in the financial year:

The percentage increase/(decrease) in the median remuneration of the employees in the financial year was (0.79)%.

D. Number of permanent employees on the rolls of company:

Number of permanent employees on the rolls of R Systems International Limited as at December 31, 2025 was 3,278 (on Standalone basis).

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration & justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration for employees is 2.65% (approx.). The average increase in overall managerial remuneration is 1.93%. These increases are a function of the Company's market competitiveness within its comparator group and reflects the Company's reward philosophy as well as the result of the benchmarking exercise.

F. Affirmation that the remuneration is as per the remuneration policy of the company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of
R Systems International Limited

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Chişinău, Moldova
Date : May 27, 2026

Ruchica Gupta
Chairperson & Non-Executive
Independent Director
DIN: 06912329

Place : New Delhi
Date : May 27, 2026

Annexure B to the Board's Report Corporate Governance Report

1. Company's Philosophy on Corporate Governance

R Systems International Limited ("R Systems" or the "Company") is committed to upholding the highest standards of corporate governance, rooted in integrity, transparency and ethical business conduct.

The Company recognises that strong governance practices are integral to building trust with stakeholders and sustaining long-term value creation. Its governance framework is designed to ensure effective oversight by the Board of Directors ("Board"), robust internal controls, transparent disclosures and a culture of accountability across the organisation.

Corporate governance at R Systems is guided by the principles of fairness, responsibility and independence in decision-making, with a clear focus on protecting stakeholder interests and enhancing organisational resilience.

The Company continually reviews and strengthens its governance practices to align with evolving regulatory requirements and global best practices. During the year, the Company remained compliant with the applicable provisions of the Companies Act, 2013 (the "Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable laws and regulations.

2. Board of Directors

The Board is responsible for setting the Company's strategic direction, purpose and core values, and for overseeing its performance in a manner that promotes long-term stakeholder value.

The Board discharges its fiduciary responsibilities by providing strategic guidance and exercising effective oversight over the management of the Company and its subsidiaries. In doing so, it ensures that the Company operates with integrity, sound governance practices and a strong focus on sustainable growth.

The Board provides leadership and direction to the Company, while ensuring that the interests of all stakeholders are safeguarded. It is entrusted with the overall supervision of the management and affairs of the Company and exercises its powers, authorities and duties in accordance with applicable laws and established governance frameworks.

2.1 Board structure

The Board of Directors of the Company comprises an appropriate mix of Executive, Non-Executive and Independent Directors, ensuring a balanced and diverse composition in line with the requirements of the SEBI Listing Regulations.

As at December 31, 2025, the Board comprised seven Directors, including three Non-Executive Directors, one Managing Director & Chief Executive Officer (MD & CEO) and three Non-Executive Independent Directors, including one Woman Independent Director who also serves as the Chairperson of the Board.

In accordance with the provisions of the Act and the Articles of Association of the Company, all Directors, other than the Managing Director & Chief Executive Officer and the Independent Directors, are liable to retire by rotation.

In terms of Section 152 of the Act, Mr. Animesh Agrawal, Non-Executive Director, will retire by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the approval of the Members. A brief profile of Mr. Animesh Agrawal forms part of the Notice convening the ensuing AGM.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management. As at December 31, 2025, none of the Non-Executive Directors or Independent Directors holds any shares, stock options or other convertible instruments in the Company. All Independent Directors are registered with the Independent Directors Databank, as required under the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Composition of the Board of the Company has been in compliance with Regulation 17 of the SEBI Listing Regulations during the year ended December 31, 2025. None of the Directors is disqualified or debarred from being appointed or continuing as a Director of the Company by the Ministry of Corporate Affairs, the Securities and Exchange Board of India or any other statutory authority.

As at December 31, 2025, there were no inter-se relationships among the Directors, except that Mr. Mukesh Mehta, Mr. Amit Dalmia and Mr. Animesh Agrawal are associated with Blackstone Group.

2.2 Board Functioning & Procedures

The Board of Directors meets at regular intervals, at least once in each quarter, to review the quarterly performance, financial results and other significant business matters. The meetings are conducted through physical presence and/or video conferencing, in accordance with applicable provisions of Act and the SEBI Listing Regulations.

Detailed agenda notes, along with all relevant information and explanatory materials, are circulated to the Directors well in advance to enable informed decision-making. The Chief Financial Officer and other senior management personnel are invited to attend the Board meetings, as required, to provide insights on financial performance, internal controls, risk management and business strategy.

All material information, including the information specified under the SEBI Listing Regulations, is placed before the Board to enable comprehensive deliberations. During the year under review, all recommendations made by the Committees of the Board were accepted by the Board.

The minutes of the Board and Committee meetings are circulated to all Directors and Committee members, respectively, in compliance with Secretarial Standard-1 on Meetings of the Board of Directors issued by the Institute of Company Secretaries of India, for their review and records.

The required quorum was present at all the meetings. The gap between any two consecutive Board meetings did not exceed one hundred and twenty days. The Board periodically reviews compliance reports pertaining to all applicable laws and regulations.

Annexure B to the Board's Report

During the year under review, the Board met seven (7) times on February 13, 2025, May 08, 2025, June 05, 2025, July 09, 2025, August 13, 2025, August 21, 2025 and November 06, 2025.

The details of the composition of the Board, category of Directors, attendance at Board Meetings and the last Annual General Meeting, as well as the number of other directorships and committee memberships/chairmanships held by each Director, including their directorships in other listed entities, are provided in the table below:

Name of the Director	Category of Director	No. of Board Meetings attended in financial year ended December 31, 2025	Directorships held of other companies as at December 31, 2025		Committee position held in companies as at December 31, 2025		Attendance at the last AGM on June 12, 2025	Other listed companies where the Director is appointed and Category as at December 31, 2025
			Indian Companies ¹	Body Corporates ²	Member ³	Chairperson ³		
Mrs. Ruchica Gupta DIN: 06912329	Chairperson & Non-Executive Independent Director	7	4	1	1	1	P	-
Mr. Nitesh Bansal DIN: 10170738	Executive Director (MD & CEO)	7	2	4	-	-	P	-
Mr. Mukesh Mehta DIN: 08319159	Non-Executive Director	5	5	4	-	-	A	1. Aadhar Housing Finance Limited – Nominee Director 2. International Gemmological Institute (India) Limited – Non-Executive Director
Mr. Amit Dalmia DIN: 05313886	Non-Executive Director	6	2	3	4	1	A	Mphasis Limited-Non-Executive Director
Mr. Animesh Agrawal DIN: 08538625	Non-Executive Director	6	3	-	3	1	P	EPL Limited Non-Executive Director
Mr. Kapil Dhameja DIN: 02889310	Non-Executive Independent Director	6	3	-	2	-	P	-
Mr. Aditya Wadhwa DIN: 07556408	Non-Executive Independent Director	7	-	-	1	-	P	-

1. Includes directorship in Private Limited Companies and Public Companies excluding R Systems.
2. Includes corporates that are incorporated and having place of business outside India and Limited Liability Partnership incorporated in India.
3. In accordance with regulation 26 of the SEBI Listing Regulations, Membership/Chairmanship of Audit Committees and Stakeholders' Relationship Committees only in all public limited companies have been considered as at December 31, 2025, including R Systems. Committee memberships include Committee chairmanships.

2.3 Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which is available on R Systems' website at <https://www.rsystems.com/investors-info/corporate-governance/policies/>.

The Company has obtained confirmations for the compliance with the said code from all its Board members and senior management personnel for the year ended December 31, 2025. A declaration to this effect given by Mr. Nitesh Bansal, Managing Director and Chief Executive Officer of the Company, is reproduced below:

CODE OF CONDUCT DECLARATION	
I, Nitesh Bansal, Managing Director and Chief Executive Officer of R Systems International Limited, to the best of my knowledge and belief, hereby declare that all the Board members and senior management personnel have affirmed compliance with the Company's Code of Conduct for the year ended December 31, 2025.	
Place: NOIDA Date: January 5, 2026	Nitesh Bansal (Managing Director & Chief Executive Officer)

2.4 Core skills/expertise/competencies of the Board

The Board comprises qualified members who bring the requisite skills, competence, and expertise, enabling them to make effective contributions to the Board and its Committees. The Board of Directors has identified the following skills, expertise, and competencies as fundamental for the effective functioning of the Company:

1.	Management and Leadership Skill	Experience in management and leadership, with a practical understanding of business development, processes, planning, risk management, and related areas.
2.	Information Technology	Knowledge and experience in the information technology domain, with the ability to anticipate technological trends and emerging areas such as digital transformation, artificial intelligence, cloud computing, and cybersecurity.
3.	Strategy and Planning	Expertise in strategic decision-making and experience in guiding and leading management teams, particularly in uncertain and dynamic business environments.
4.	Functional and managerial experience	Proficiency in areas such as accounting and finance, business judgment, general management practices and processes, crisis management, industry knowledge, human resources, Indian laws, international markets, sales and marketing, and risk management.
5.	Governance and Compliance	Experience in developing and implementing governance practices, safeguarding the interests of stakeholders, ensuring accountability of the Board and management, and promoting corporate ethics and values.

Following is the list of core skills, expertise and competencies of each Director:

Name of Director	Skills/Expertise/Competencies				
	Management and Leadership Skill	Information Technology	Strategy and Planning	Functional and managerial experience	Governance and Compliance
Mrs. Ruchica Gupta	✓	-	✓	✓	✓
Mr. Nitesh Bansal	✓	✓	✓	✓	✓
Mr. Mukesh Mehta	✓	✓	✓	✓	✓
Mr. Amit Dalmia	✓	✓	✓	✓	✓
Mr. Animesh Agrawal	✓	✓	✓	✓	✓
Mr. Kapil Dhameja	✓	-	✓	✓	✓
Mr. Aditya Wadhwa	✓	-	✓	✓	✓

Note: The above skills and competencies are broad-based and encompass multiple areas of expertise and experience. Each Director may possess a varied combination of these skills, and it is not necessary for every Director to have all the listed competencies.

2.5 Familiarisation Programme for Independent Directors

The Company has in place a structured familiarisation programme for its Independent Directors to enable them to understand the Company's business, operations and industry environment, and to keep them updated on an ongoing basis.

The Board has adopted a policy on familiarisation of Independent Directors, which, inter alia, covers the following aspects:

- Nature of the industry in which the Company operates;
- Business model of the Company;
- Roles, rights and responsibilities of Independent Directors.

Annexure B to the Board's Report

As part of the ongoing familiarisation process, the Managing Director, Chief Financial Officer and senior management personnel regularly interact with the Independent Directors to apprise them of key developments relating to business performance, operational updates, risk management, internal controls, economic and industry trends, and changes in the regulatory framework.

The details of the familiarisation programmes imparted to the Independent Directors are available on the website of the Company at: <https://www.rsystems.com/familiarization-programme-conducted/>.

The Company ensures that the Independent Directors are continuously equipped with the knowledge and insights necessary to effectively discharge their responsibilities.

2.6 Separate Meeting of Independent Directors

As stipulated under the Provisions of the Act and SEBI Listing Regulations, following meeting of Independent Directors took place during the year:

Name of Independent Director	December 11, 2025
Mrs. Ruchica Gupta	P
Mr. Kapil Dhameja	P
Mr. Aditya Wadhwa	A

The Independent Directors have inter-alia assessed the flow of information between the Management and the Board and reviewed the performance of the Non-Independent Directors, Board as a whole and the Chairperson of the Board considering the views of Executive Director and Non- Executive Directors.

2.7 Performance Evaluation

In accordance with the provisions of the Act and the SEBI Listing Regulations, and based on the recommendation of the Nomination, Remuneration and Compensation Committee, the Board has put in place a formal and structured mechanism for annual evaluation of its own performance, that of its Committees and individual Directors.

The evaluation is conducted through a comprehensive framework covering key aspects of Board effectiveness, including composition and diversity of the Board and its Committees, skills and competencies, leadership qualities, strategic oversight, quality of decision-making, business and commercial acumen, contribution to constructive deliberations, level of engagement and participation, time commitment, teamwork and the effectiveness of the Company's business strategy.

3. Information of Senior Management

The details of Key Managerial Personnel ("KMP") and of Senior Management Personnel ("SMP") of the Company, as at December 31, 2025, in terms of SEBI Listing Regulations, are set out below:

Key Managerial Personnel		
Sr. No.	Name	Designation
1.	Mr. Nitesh Bansal	Managing Director & Chief Executive Officer
2.	Mr. Nand Sardana	Chief Financial Officer
3.	Mr. Bhasker Dubey	Company Secretary & Compliance Officer

Senior Management Personnel (SMP)		
Sr. No.	Name	Designation
1.	Mr. Avirag Jain	Chief Operating Officer
2.	Mr. Arun Raghavapudi	Chief Customer Officer
3.	Mr. Sanjay Sahay	Chief Marketing Officer
4.	Mr. Satyadeep Mishra	Chief Human Resource Officer
5.	Mr. Shardul Sangal	Co-Chief Delivery Officer
6.	Mr. Ashok Chawla	Co-Chief Delivery Officer

During the year under review, Mr. Mandeep Sodhi resigned from the position of Chief Operating Officer of the Company with effect from the close of business hours on April 01, 2025. Subsequently, Mr. Avirag Jain was designated as Chief Operating Officer with effect from May 17, 2025.

Further, the designation of Mr. Shardul Sangal and Mr. Ashok Chawla was changed from Senior Vice President – Global Delivery to Co-Chief Delivery Officer during the year.

Subsequent to the end of the financial year, Mr. Farooq Ahmad was appointed as Chief Revenue Officer of the Company with effect from March 30, 2026. Further, Mr. Bhasker Dubey resigned from the position of Company Secretary & Compliance Officer with effect from the closing hours on May 06, 2026, and Mr. Piyush Jain was appointed as Company Secretary & Compliance Officer of the Company with effect from May 07, 2026.

4. Board Committees

R Systems has formulated the following committees of its Board of Directors:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Management Committee

4.1. Audit Committee

The Company has a duly constituted Audit Committee in compliance with the provisions of the Act and SEBI Listing Regulations. The composition of the Audit Committee is in line with the prescribed requirements, with a majority of Independent Directors.

During the financial year ended December 31, 2025, the Audit Committee met four (4) times on February 13, 2025, May 08, 2025, August 13, 2025 and November 06, 2025.

Name of Member	Category	Position	No. of meetings held	No. of meetings attended
Mrs. Ruchica Gupta	Non-Executive Independent Director	Chairperson	4	4
Mr. Amit Dalmia	Non-Executive Director	Member	4	4
Mr. Kapil Dhameja	Non-Executive Independent Director	Member	4	4
Mr. Aditya Wadhwa	Non-Executive Independent Director	Member	4	4

The Audit Committee invites senior management personnel, as it considers appropriate, to attend its meetings. Representatives of the Statutory Auditors and Internal Auditors are also invited to participate in the meetings.

The Company Secretary acts as the Secretary to the Audit Committee.

Powers of the Audit Committee

The Audit Committee has adequate powers to play an effective role as required under the provisions of the Act and the SEBI Listing Regulations and to review the mandatory applicable information. The Audit Committee shall have powers which shall include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To have full access to information contained in the records of the Company.
4. To obtain outside legal or other professional advice.
5. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of reference of the Audit Committee:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the 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;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, if any, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal auditors of any significant findings and follow up thereon;
15. 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;

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16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. To review the utilization of loans and/or advances from/investment by the company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.
21. To review "Internal Controls to prevent Insider Trading" and shall review compliances with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
22. To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company entity and its shareholders.
23. To carry any other duties as may be required under the SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder and delegated by the Board of Directors from time to time.

4.2 Nomination, Remuneration and Compensation Committee

During the financial year ended December 31, 2025, there was no change in the composition of the Nomination, Remuneration and Compensation Committee ("NRCC").

The NRCC is duly constituted in compliance with the provisions of Section 178 of the Act read with the applicable Rules and Regulation 19 of the SEBI Listing Regulations. The Committee comprises only Non-Executive Directors, with a majority of Independent Directors, and is chaired by an Independent Director.

During the financial year ended December 31, 2025, the NRCC met one (1) time on February 13, 2025.

The composition of the NRCC and details of attendance of members at the meeting held during the financial year ended December 31, 2025 are provided below:

Name of Member	Category	Position	No. of meetings held	No. of meetings attended
Mr. Kapil Dhameja	Non-Executive Independent Director	Chairman	1	1
Mr. Mukesh Mehta	Non-Executive Director	Member	1	1
Mrs. Ruchica Gupta	Non-Executive Independent Director	Member	1	1

The Terms of reference and role of NRCC covers the area as under:

1. 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, senior management personnel and other employees. For every appointment of an independent director, the Nomination, Remuneration and Compensation 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:
 - a. uses the services of an external agencies, if required,
 - b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. considers the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. 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;
5. 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;
6. Recommend to the board, all remuneration, in whatever form, payable to senior management;
7. Recommend to the board, the incentive compensation plan and equity based plan;
8. Formulation, implementation and administration of all the stock option plans;
9. Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors;
10. To carry any other duties as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder or as may be delegated by the Board of Directors from time to time.

Remuneration Policy and its salient features

The remuneration policy of the Company reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders and guided by a common reward framework and set of principles and objectives with the intent to attract, develop and retain talent to ensure long term sustainability of talented managerial persons and to create a competitive advantage.

The Nomination and Remuneration Policy for Directors, Key Managerial Personnel, Senior Managerial Personnel and other employees of the Company is available on our website, at <https://www.rsystems.com/wp-content/uploads/2022/03/Nomination-and-Remuneration-Policy.pdf>. The salient points of the remuneration policy for the directors and executives are given below:

a. Executive Directors' Remuneration:

The Managing Director and Executive Directors of the Company (i.e. Whole time Director as defined in the Act), shall be paid such remuneration as may be proposed by NRCC and subsequently approved by the Board of Directors and Shareholders within the overall limits prescribed under the Companies Act, 2013 or under the provision of any other laws as may be applicable. The Remuneration of Executive Directors is broadly divided into fixed and variable components.

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provision of the Companies Act, 2013 and rules made thereunder.

b. Remuneration for Non-Executive Directors:

Non-Executive members of the Board shall be entitled for sitting fees for attending the meetings of the Board or committees thereof. The sitting fee will be fixed by the Board of Directors from time to time in accordance with the provisions of the Act and other applicable rules and regulations. Non-Executive directors shall not be entitled to any fixed or monthly salary or other remuneration.

c. Key Managerial Personnel, Senior Management Personnel and other employees:

The KMP (Except for Managing Director and Whole-time Director), Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as may be approved by the Committee. The Company shall follow a compensation mix of fixed component and variable component.

The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs/KPIs, industry benchmark and current compensation trends in the market.

Brief terms of employment and details of remuneration paid to the executive director during the year ended December 31, 2025:

Sr. No.	Particulars	Mr. Nitesh Bansal
a)	Salary, benefits and allowances (fixed)	49,841,075
b)	Bonus/incentives/variable pay	38,140,274
c)	Provident fund/Retiral benefits	494,616*
d)	Pension	As per Employment Agreement dated May 30, 2023
e)	Shareholding in R Systems as on December 31, 2025	Nil

*Contribution to 401K Plan.

Note:

- The term of appointment of Mr. Nitesh Bansal as Managing Director and Chief Executive Officer are for five years w.e.f. May 30, 2023. The details of service contracts, notice period and severance fees etc. are governed by the Employment Agreement executed with Mr. Nitesh Bansal on May 30, 2023.
- On January 17, 2024, NRCC granted 2,841,546 Restricted Stock Units (RSUs) to Mr. Nitesh Bansal. The said RSUs will vest subject to performance-based conditions as per the provisions of the R Systems Management Incentive Plan 2023 and the grant letter. The exercise price of the RSUs shall be the face value of the equity shares i.e. Re. 1/- each.

Therefore mentioned directors' remuneration is pursuant to recommendation of the NRCC, approval of the Board and shareholders of the Company, in compliance with the provisions of the Act and SEBI Listing Regulations.

Criteria and details of payment of remuneration to the non-executive directors during the year ended December 31, 2025

Non-Executive members of the Board are entitled for sitting fees for attending the meetings of the Board or committees thereof. The sitting fees has been fixed by the Board in accordance with the provisions of the Act and other applicable provisions of the law, if any. Non-Executive directors are not entitled to any fixed or monthly salary or other remuneration.

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The sitting fees paid to the Non-Executive Directors during the year ended December 31, 2025, is as follows:

(Amount in INR)

Sr. No.	Name of Member	Category	Sitting Fees Paid
a)	Mrs. Ruchica Gupta	Non-Executive Independent Director	455,000
b)	Mr. Kapil Dhameja	Non-Executive Independent Director	385,000
c)	Mr. Aditya Wadhwa	Non-Executive Independent Director	385,000
d)	Mr. Mukesh Mehta	Non-Executive Director	-
e)	Mr. Amit Dalmia	Non-Executive Director	-
f)	Mr. Animesh Agrawal	Non-Executive Director	-
Total			1,225,000

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors and/or Independent Directors apart from the sitting fees as mentioned above.

4.3 Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee of the Company is duly constituted in compliance with the provisions of Section 178 of the Act read with the applicable Rules and Regulation 20 of the SEBI Listing Regulations.

As at December 31, 2025, the Committee comprised three members, with a Non-Executive Director as the Chairperson.

The Committee oversees and resolves investor grievances and focuses on strengthening investor relations, including redressal of complaints relating to transfer/transmission of shares, non-receipt of dividends, annual reports and other investor-related matters.

During the financial year ended December 31, 2025, the Committee met one (1) time on February 13, 2025.

The composition of the Committee and details of attendance of members at the meeting held during the financial year ended December 31, 2025 are provided below:

Name of Member	Category	Position	No. of meetings held	No. of meetings attended
Mr. Amit Dalmia	Non-Executive Director	Chairman	1	1
Mr. Animesh Agrawal	Non-Executive Director	Member	1	-
Mr. Kapil Dhameja	Non-Executive Independent Director	Member	1	1

The Terms of reference and role of Stakeholders' Relationship Committee covers the area as under:

1. Resolving the grievances of the security holders of the Company 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.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. To carry any other duties as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 and rules made thereunder and delegated by the Board of Directors from time to time.

Name and designation of the Compliance Officer and Nodal Officer for IEPF Compliance

Mr. Piyush Jain

Company Secretary & Compliance Officer
3rd Floor, Tower No.- 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd,
Plot No. 21, Sector-Techzone-IV, Greater Noida West,
Gautambuddha Nagar, Uttar Pradesh, India, 201306
Tel No.: 0120 - 430 3500
Email: investors@rsystems.com

Shareholders grievances/complaints received and resolved during the year:

- i. Number of shareholders' complaints received during the year ended December 31, 2025: **2**
- ii. Number of complaints not resolved to the satisfaction of shareholders: **Nil**
- iii. Number of pending complaints: **Nil**

4.4 Corporate Social Responsibility Committee

At R Systems, Corporate Social Responsibility ("CSR") is an integral part of the Company's philosophy and is aligned with its core values of responsible and sustainable business practices. The Company remains committed to contributing positively to the communities in which it operates and to creating long-term social value.

Through its CSR initiatives, the Company endeavours to promote inclusive and sustainable development by supporting programmes that provide equitable opportunities and enhance the well-being of society, while aligning with its objective of creating long-term stakeholder value.

The Company has in place a Corporate Social Responsibility Policy in accordance with the provisions of the Act, which is available on its website at: <https://www.rsystems.com/wp-content/uploads/2021/02/Corporate-Social-Responsibility-Policy.pdf>.

During the financial year ended December 31, 2025, the CSR Committee met two (2) times on February 13, 2025 and May 08, 2025.

Name of the member	Category	Position	No. of meetings held	No. of meetings attended
Mr. Amit Dalmia	Non-Executive Director	Chairman	2	2
Mr. Animesh Agrawal	Non-Executive Director	Member	2	1
Mr. Kapil Dhameja	Non-Executive Independent Director	Member	2	2

The Terms of reference and role of CSR Committee covers the area as under:

1. Formulate and recommend to the board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. Recommend the amount of expenditure to be incurred on the activities referred to above;
3. Monitor the CSR Policy of the Company from time to time;
4. Formulate and recommend to the Board an annual action plan;
5. To carry any other duties as may be required under the Companies Act, 2013 and rules made thereunder and delegated by the Board of Directors from time to time.

4.5 Risk Management Committee

The Company has established a Risk Management Committee in accordance with the provisions of Regulation 21 of the SEBI Listing Regulations.

The Company recognises that risk management is an integral part of its governance framework and is essential for achieving its strategic objectives. The risk management framework is designed to identify, assess, monitor and mitigate various risks, including emerging risks, that may impact the business.

The Risk Management Committee assists the Board in overseeing the design, implementation, monitoring and continual improvement of the Company's risk management framework.

During the financial year ended December 31, 2025, the Risk Management Committee met two (2) times on January 30, 2025 and August 07, 2025.

The composition of the Committee and details of attendance of members at the meetings held during the financial year ended December 31, 2025 are provided below:

Name of the member	Category	Position	No. of meetings held	No. of meetings attended
Mr. Amit Dalmia	Non-Executive Director	Chairman	2	2
Mr. Animesh Agrawal	Non-Executive Director	Member	2	1
Mr. Kapil Dhameja	Non-Executive Independent Director	Member	2	1

Annexure B to the Board's Report

The Terms of reference and role of Risk Management Committee covers the area as under:

1. Formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the Company, 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.
2. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. Keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if required).

4.6 Management Committee

In order to enhance the effectiveness of Board functioning and enable efficient utilisation of time, the Board of Directors has constituted the Management Committee to deal with matters delegated to it from time to time.

The Management Committee exercises such powers and performs such functions as may be delegated by the Board, in accordance with the applicable provisions of the Act and the SEBI Listing Regulations.

During the financial year ended December 31, 2025, the Management Committee met six (6) times on February 13, 2025, March 27, 2025, May 08, 2025, August 13, 2025, August 21, 2025 and November 11, 2025.

The composition of the Management Committee and details of attendance of members at the meetings held during the financial year ended December 31, 2025, are provided below:

Name of the member	Category	Position	No. of meetings held	No. of meetings attended
Mrs. Ruchica Gupta	Non-Executive Independent Director	Chairperson	6	6
Mr. Nitesh Bansal	Managing Director and Chief Executive Officer	Member	6	5
Mr. Animesh Agrawal	Non-Executive Director	Member	6	5
Mr. Nand Sardana	Chief Financial Officer	Member	6	6

5. Subsidiary Companies

As at December 31, 2025, the Company has thirty two subsidiaries including step down subsidiaries.

During the FY 2025, pursuant to Share Purchase Agreement dated August 21, 2025 entered into between the Company, Novigo Solutions Private Limited ("Novigo") and shareholders of Novigo, the Company completed the acquisition of 100% equity shares of Novigo on November 13, 2025, at a consideration of INR 4,000 million. Novigo was having following subsidiaries, which now have become step-down subsidiaries of the Company:

Name of Company	Country of Incorporation
Novigo Solutions Inc.	USA
Novigo Solutions Limited	UK
Novigo for Information Technology	Kingdom of Saudi Arabia
Novigo Solutions B.V.	Netherland

Subsequent to the year ended 2025, pursuant to the composite scheme of amalgamation of Velotio Technologies Private Limited ("Velotio") and Scaleworx Technologies Private Limited ("Scaleworx") with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme"), the Hon'ble National Company Law Tribunal, New Delhi Bench ("NCLT"), vide its order dated April 16, 2026, has sanctioned and approved the Scheme.

The Scheme became effective on May 01, 2026 upon filing of the certified copy of the said order with the Registrar of Companies, NCT of Delhi I, Velotio and Scaleworx, being subsidiaries of the Company prior to the Scheme, have been amalgamated with the Company.

The Audit Committee reviewed the financial statements, in particular, the investments made by unlisted subsidiaries of the Company. The management periodically brings to the attention of the board of directors of R Systems, a statement of all transactions and arrangements entered into by the unlisted subsidiaries. Copies of the minutes of the Board meetings of subsidiary companies are also presented at the meetings of Board of Directors of the Company.

Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Auditors	Date of appointment of Auditors
R Systems, Inc.	March 09, 1993*	California, USA	Deloitte Haskins & Sells LLP, Chartered Accountants	April 01, 2025
R Systems Computaris Europe S.R.L.	November 06, 2001**	Romania	BDO Audit S.R.L.	January 04, 2026

*Subsidiary of the Company since January 2, 2001.

**Step Down subsidiary of the Company since January 26, 2011.

Both the material subsidiaries are incorporated and based outside India.

Further, Mrs. Ruchica Gupta, Non-Executive Independent Director of the Company holds position of Director in R Systems, Inc., material subsidiary of the Company.

In terms of the provisions of SEBI Listing Regulations, the policy for determining Material Subsidiary and such policy is available on the Company's website at the link <https://www.rsystems.com/wp-content/uploads/2019/pdf/Policy-on-Material-Subsidiary.pdf>.

6. General body meetings

- i Details for the last three Annual General Meetings ("AGMs"):

AGM Date & Time	Venue/Mode	Special Resolutions Passed
29 th AGM June 21, 2023 09:30 A.M.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	Ratify the period of extension of the tenure of Lt. Gen. Baldev Singh (Retd.), President & Sr. Executive Director of the Company.
30 th AGM June 13, 2024 09:30 A.M.	VC/OAVM	No Special Resolution was passed.
31 st AGM June 12, 2025 10:00 A.M.	VC/OAVM	No Special Resolution was passed.

- ii No Extraordinary General Meeting of the Company was held during the last three years, except for the meeting held on July 31, 2025 for obtaining shareholders' approval for the Scheme.

- iii During the year under review, the Company has passed following special resolutions through Postal Ballot:

- Adoption of new set of Articles of Association of the Company – passed on January 27, 2025.
- Approval to make investments, give loans and advances, guarantees and provide securities beyond the prescribed limits under Section 186 of the Act - passed on July 08, 2025.

Details relating to voting on the aforesaid resolutions are available at the following weblink: <https://www.rsystems.com/investors-info/postal-ballot/>.

The Company appointed Mr. Devesh Kumar Vasisht of DPV & Associates LLP, Company Secretaries as scrutinizer

("Scrutinizer") for conducting the aforesaid Postal Ballots and e-voting process in a fair and transparent manner.

- iv No special resolution is proposed to be conducted through Postal Ballot or at forthcoming AGM.

7. Disclosures

7.1 Related Party Transactions

Related Party Transactions are defined as transfer of resources, services or obligations between the company, its subsidiaries and their related parties, regardless of whether a price is charged. As per SEBI Listing Regulations, there have been no materially significant related party transactions with Company's subsidiaries, promoters, directors or the management or their relatives or companies controlled by them etc., which may have conflict with the interest of the Company at large. Details on Related Party Transactions are shown in note number 35 and 34 of the standalone and consolidated financial statements, respectively for the financial year ended December 31, 2025.

The Policy on the Material Subsidiary is available on the website of the Company at the following link: <https://www.rsystems.com/wp-content/uploads/2019/pdf/Policy-on-Material-Subsidiary.pdf> In compliance of the provisions of SEBI Listing Regulations, the policy on dealing with Related Party Transactions has been uploaded on the website of the Company at the following link: <https://media.rsystems.com/wp-content/uploads/2026/05/Policy-on-Related-Party-Transactions.pdf>.

7.2 Statutory Compliance, Penalties and Strictures

During the financial year ended December 31, 2025, there were no penalties or strictures imposed on the Company by the Stock Exchanges, the Securities and Exchange Board of India ("SEBI") or any other statutory authority on matters relating to capital markets during the preceding three years, except as stated below:

During the financial year ended December 31, 2023, the National Stock Exchange of India Limited and BSE Limited ("Stock Exchanges") levied a penalty of INR 140,000/- each

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for non-compliance with Regulation 19(2) of the SEBI Listing Regulations relating to the composition of the NRCC for the period from May 30, 2023 to August 07, 2023. The said non-compliance was inadvertent and has since been rectified with effect from August 08, 2023. The penalty levied by the Stock Exchanges has been duly paid.

Further, subsequent to the end of the financial year, the Stock Exchanges levied a penalty of INR 5,000/- each for delay in filing of related party transactions disclosure under Regulation 23(9) of the SEBI Listing Regulations. The delay of 17 minutes was attributable to technical issues encountered while uploading the prescribed utility.

7.3 Vigil Mechanism/Whistle Blower Policy

Pursuant to Section 177 of the Act and rules made thereunder and the SEBI Listing Regulations, the Company has in place a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimisation of employees who avail the mechanism and also provides for direct access to the Whistle Blower to the Chairperson of the Audit Committee. We affirm that during the financial year ended December 31, 2025, no employee has been denied access to the Audit Committee. The Company had received no complaint on the designated email id of Audit Committee during the year under review. Whistle Blower policy is available on the website of the Company at the link: <https://www.rsystems.com/wp-content/uploads/2019/03/RSIL-Whistle-Blower-Policy.pdf>.

7.4 Risk Management Policy

The Company has formulated a risk management policy to identify the present and potential risks involved in the business. The same is periodically reviewed and considered by the Risk Management Committee and the Board. The Risk Management Report forms part of the Annual Report.

7.5 Compliance with mandatory requirements and adoption of non-mandatory requirements of Regulation 27(1) read with Part-E of Schedule-II of the SEBI Listing Regulations

The Company has complied with all the mandatory requirements of SEBI Listing Regulations during the year.

As required under Regulation 17(8) of the SEBI Listing Regulations, a certificate signed by MD & CEO and CFO of the Company has been placed before the Board and the same forms part of this Report.

Further, pursuant to Regulation 34 (3) read with Part E of Schedule V of the SEBI Listing Regulations, a certificate obtained from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company, certifying compliance with the conditions of Corporate Governance has been annexed with the Board's Report. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI Listing Regulations and Para-C and D of Schedule V of the SEBI Listing Regulations.

The Company has not given any loan and advance to any firm/company in which Directors are interested.

Disclosure with respect to demat suspense account/unclaimed suspense account is not applicable on the

Company as there are no shares which are lying in demat suspense account/unclaimed suspense account.

As on the date of this report a total of 49,836 equity shares of the Company are lying in the Investor Education and Protection Fund Account.

Regulation 27(1) of the SEBI Listing Regulations also requires disclosures of adoption by the Company of non-mandatory requirements specified in part E of Schedule II of the SEBI Listing Regulations. The details of compliance with discretionary requirements are as follows:

The Board

In compliance with regulation 17 of the SEBI Listing Regulations, the Company has an optimum combination of executive and non-executive directors with an Independent Director as Chairperson of the Board.

Shareholders Rights

The quarterly and half yearly financial performance of the Company are published in the newspapers and are also posted on the Company's website. Further quarterly financial performance are also sent to the e-mails of the shareholders of the Company who have valid e-mail ids registered with their Depository Participants (DPs)/ Company.

Modified Opinion in Audit Report

The Statutory Auditors of the Company have issued audit report with unmodified opinion on the financial results of the Company for the financial year ended December 31, 2025.

Reporting of Internal Auditor

The Internal auditors of the Company reports to the Audit Committee.

7.6 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Respect for Human Rights is a fundamental value of R Systems. At R Systems, it is our desire to promote a healthy and congenial working environment irrespective of gender, caste, creed or social class of the employees. We value every individual and are committed to protect the dignity and respect of every individual. The Company has always endeavoured for providing a better and safe environment free of sexual harassment at all its work places. Consequent to the enactment of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the Management of R Systems has constituted an Internal Complaints Committee ("ICC") to deal with any complaints or issues that may arise, in the nature of sexual harassment of women employees. The Committee is composed of internal members and an external member who has extensive experience in the field. The Company has also prepared and implemented Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace. During the year ended December 31, 2025, no case of sexual harassment of women was reported to ICC.

7.7 Certificate from Company Secretary in practice regarding Non-disqualification of Directors

M/s. DPV & Associates, LLP has issued a certificate under the SEBI Listing Regulations, confirming that none of the Director of the Company has been debarred or disqualified from being appointed or continuing as Director of Company

by SEBI, Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed as **Annexure-1** to this report.

7.8 Details of total fees paid to Statutory Auditors

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, have been appointed as the Statutory Auditors of the Company. The particulars of payment made to the statutory auditor and all entities in its network for the Financial Year ended December 31, 2025 are as follows:

Particulars	(INR in Million)
Total Fees paid by the Company for the audit and limited review to M/s. Deloitte Haskins & Sells LLP.	5.70
Total Fees paid by the Subsidiaries for the audit to M/s. Deloitte Haskins & Sells LLP and all entities in its network.*	8.14
Other fees paid by the Company and its subsidiaries to M/s. Deloitte Haskins & Sells LLP and to all entities in its network.*	3.21

*Including out of pocket expenses.

#During the FY 2025, the Company acquired 100% equity shares of and pursuant to which Novigo became subsidiary of the Company. Accordingly, fees paid by Novigo to M/s Deloitte Haskins & Sells LLP have been considered only for the period after its acquisition.

8. Means of Communication

- The quarterly and year to date audited/unaudited financial results are published in the leading newspaper of India.
- The financial results and other corporate information are available on R Systems' website www.rsystems.com. The website also displays important events such as AGM(s), Acquisition(s), Arrangement(s) etc. and official news releases from the Company.
- The presentations made to the institutional investors or to the industry analysts are also available on the Company's website www.rsystems.com.
- Financial results are also sent to all the shareholders whose email address is registered with their Depository Participants (DPs)/Company.

9. General Shareholder Information

9.1 Annual General Meeting

Date and Time: Thursday, June 25, 2026 at 09:30 A.M (IST)
Venue/Mode: Through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

9.2 Financial year

Pursuant to the Company Law Board order dated November 18, 2015, R Systems continues to follow January 01 to December 31 as its financial year. The results for every quarter are declared within forty five days following each quarter, except for the last quarter in which case the results are declared along with the annual financial results within sixty days from the end of the financial year.

9.3 Date of Book Closure- N.A.

9.4 Dividend Payment Date - N.A.

9.5 Listing on Stock Exchanges

The securities of R Systems are listed and traded on the following Stock Exchanges:

Name of Stock Exchanges	Stock/Script Code
National Stock Exchange of India Limited ("NSE") Exchange Plaza, Bandra Kurla Complex, Bandra - (E), Mumbai - 400051	RSYSTEMS
BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	532735 (Equity Shares) 977286 (Debentures)

The annual listing fee for the year 2025-26 and 2026-27 has been paid within the scheduled time to NSE and BSE. There was no instance of suspension of trading in the securities of the Company during the Financial Year 2025.

9.6. Registrar and Share Transfer Agent

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
Noble Heights, 1st Floor,
Plot NH 2, C-1, Block LSC, Near Savitri Market,
Janakpuri, New Delhi – 110058

9.7. Share Transfer System

Transfer of securities in dematerialized form are done through depositories with no involvement of the Company. In terms of SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form including where the claim is lodged for transmission or transposition of shares. Accordingly, to avail benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.

9.8. Updation of KYC details

In compliance with various SEBI Circulars, Members holding securities of listed companies in physical mode are requested to submit their PAN, Bank Account details, KYC and nomination details to the Company's Registrar and Share Transfer Agent through the forms available at <https://www.rsystems.com/kyc-updation/>. Members holding shares in Demat are requested to update their KYC Details with the respective Depository Participant.

9.9 Transfer of unclaimed dividend to Investor Education and Protection Fund

Pursuant to Section 124 and other applicable provisions of the Act, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government under the provisions of Section 125 of the Act. Shareholders are advised to claim the unclaimed dividend lying in the unpaid dividend account of the Company before the due date.

Given below are the dates of declaration of dividend and corresponding dates when unclaimed dividend is due for transfer to IEPF:

Annexure B to the Board's Report

Date of declaration	Dividend for the year	Due date for transfer to IEPF
December 14, 2019	Interim Dividend 2019	January 13, 2027
June 18, 2021	Interim Dividend 2021	July 18, 2028
November 2, 2021	2 nd Interim Dividend 2021	December 2, 2028
June 1, 2022	Interim Dividend 2022	July 1, 2029
December 13, 2023	Interim Dividend 2023	January 12, 2031
March 19, 2024	Interim Dividend 2024	April 19, 2031
November 8, 2024	2 nd Interim Dividend 2024	December 9, 2031
May 8, 2025	Interim Dividend 2025	June 7, 2032
March 6, 2026	Interim Dividend 2026	April 5, 2033

9.10. Distribution of Shareholding as on December 31, 2025

Shareholding of Nominal value of (Amount in INR)			Shareholder		Share Capital	
			Number	%	Amount	%
1	-	2,500	37,953	98.15	7,149,811	6.04
2,501	-	5,000	340	0.88	1,226,042	1.04
5,001	-	10,000	181	0.47	1,336,603	1.13
10,001	-	20,000	88	0.23	1,244,998	1.05
20,001	-	30,000	38	0.10	925,776	0.78
30,001	-	40,000	12	0.03	402,089	0.34
40,001	-	50,000	16	0.04	736,421	0.62
50,001	-	100,000	16	0.04	1,143,020	0.97
Above		100,000	24	0.06	104,238,822	88.04
Total			38,668	100.00	118,403,582	100.00

9.11. Category wise Shareholding as on December 31, 2025

Category	Category of Shareholder	No. of shares	Percentage
(A)	Promoters & Promoter Group		
1	Indian	-	-
2	Foreign	61,433,005	51.88
	Sub Total (A)	61,433,005	51.88
(B)	Public Shareholding		
1	Institutions		
(a)	Mutual Funds	4,673,452	3.95
(b)	Financial Institutions/Banks	-	-
(c)	Alternate Investment Funds	6,468,160	5.46
(d)	NBFCs registered with RBI	-	-
(e)	Foreign Portfolio Investors Category I	4,199,969	3.55
(f)	Foreign Portfolio Investors Category II	4,964	0.00
	Sub Total (B)(1)	15,346,545	12.96
2	Non-institutions		
(a)	Resident Individual shareholders holding nominal share capital up to INR 2 lakh	11,120,045	9.39
(b)	Resident Individual shareholders holding nominal share capital in excess of INR 2 lakh	1,840,488	1.55
(c)	Director & their relatives	-	-
(d)	Key Managerial Personnel	200,695	0.17
(e)	Non Resident Indians (NRIs)	25,625,064	21.64
(f)	Foreign Nationals	176,224	0.15

Category	Category of Shareholder	No. of shares	Percentage
(g)	Any Other (Clearing Members)	52,938	0.04
(h)	Any Other (Bodies Corporate)	1,438,268	1.21
(i)	Any Other (Investor Education and Protection Fund)	53,441	0.05
(j)	Any Other (HUF)	625,045	0.53
(k)	Any Other (LLP)	491,346	0.41
(l)	Any Other (Trust)	478	0.00
	Sub Total (B)(2)	41,624,032	35.16
	Total Public Shareholding (B)(1) + (B)(2)	56,970,577	48.12
	Grand Total	118,403,582	100.00

9.12. Dematerialisation of shares

Shareholders seeking dematerialisation of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificate along with demat request form to the Registrar and Share Transfer Agent (the "Registrar") of the Company. Upon receipt of the request and share certificate, the Registrar will verify the same and will confirm the demat request. On confirmation, the demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder through their respective DPs. 99.82% of the issued and paid up share capital of the Company has been dematerialised up to financial year ended December 31, 2025. The International Securities Identification Number (ISIN) of the equity share of the Company is INE411H01032. The equity shares of the Company are traded on NSE and BSE throughout the year under review and were not suspended from trading at any time during the year.

Further, in accordance with SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026 ("SEBI Circular"), a special window has been made available for a period of one year from February 05, 2026 to February 04, 2027, for transfer and dematerialisation of physical securities which were sold/purchased prior to April 01, 2019. This special window shall also be available for such transfer requests which were submitted earlier and were rejected/returned/not attended due to deficiency in the documents/process/or otherwise. Kindly note that only those request(s) which shall be accompanied by original share certificate(s) along with transfer deed(s) executed before April 01, 2019, and other supporting documents as required in SEBI Circular will be considered under this special window. The securities so transferred shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Such securities shall not be transferred/lien marked/pledged during the said lock-in period. Further, securities which have been transferred to Investor Education and Protection Fund (IEPF) shall not be considered under this window for processing. Shareholders may submit the relevant transfer deeds together with the supporting documents, as may be necessary, within the stipulated period for consideration of their share transfer requests to Registrar and Share Transfer Agent of the Company i.e. MUFG Intime India Private Limited.

9.13. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

R Systems has not issued any GDRs/ADRs. There were no outstanding convertible warrants as on financial year ended December 31, 2025, except stock options/restricted stock units (RSUs) granted under the R Systems International Limited Management Incentive Plan 2023, as detailed elsewhere in the Board's Report. Further, subsequent to the financial year ended December 31, 2025, the company has issued optionally convertible redeemable preference shares ("OCRPS") pursuant to the Scheme, which shall convert into equity shares as per the terms of the OCRPS.

9.14. Commodity Price Risk or foreign exchange risk hedging activities

A large percentage of revenue of the Company is either from export earnings or denominated in Foreign Currency. The Company tries to minimize the foreign exchange risk by taking forward contracts. It may be noted that the foreign exchange contracts are not intended to be for trading and Speculations purpose but as a measure to hedge the foreign exchange risk.

9.15. Credit Rating

Crisil Ratings has upgraded its rating on the long-term bank facilities of the Company. Furthermore, Crisil Ratings has assigned its 'Crisil AA-/Stable' rating on the non-convertible debentures issued during FY 2025.

The Company's strong focus on financial capital coupled with financial discipline and prudence are reflected in the strong credit ratings ascribed by the rating agencies, as under:

Rating Agency	Type of Instrument / facility	Rating / Outlook	Date of Rating
CRISIL	Total Bank Loan Facilities Rated	Crisil AA-/Stable (Upgraded from 'Crisil A+/Stable')	July 09, 2025
CRISIL	Non-Convertible Debentures	Crisil AA-/Stable (Assigned)	July 09, 2025
ICRA	Issuer Rating	[ICRA]AA-/Stable(Assigned)	October 30, 2025

Annexure B to the Board's Report

9.16. Offices of R Systems and its subsidiaries including Development/Technical Support Centres

1.	Offices of R Systems International Limited Registered office GF-1-A, 6, Devika Tower, Nehru Place, New Delhi, 110019 Corporate offices 3 rd Floor, Tower 1, Plot No. 21, Sector Techzone IV, Greater NOIDA West- 201306 (U.P.) SEZ Units 1 st , 2 nd and 4 th Floor, Tower 1, Plot No. 21, Sector Techzone IV, Greater NOIDA West- 201306 (U.P.) Pune office 1 st and 2 nd Floor, Survey No. 32/33, Smartworks, M-Agile, PAN Card Club Road, Baner, Pune, Maharashtra - 411045 Chennai office Olympia Pinnacle, 9 th Floor, #1, Survey No. 69/2A1, No. 67/I-2A, New S.No. 67/4, Old Mahabalipuram Road, Okkiam, Thoraipakkam Village, Thoraipakkam, Chennai 600 096 Bengaluru Office Aurbis ORR, Municipal Corporation No. 283/58/7, Survey No. 58/7, Outer Ring Road, Devarabisanahalli, Bangalore -560103 Hyderabad Office 7 th Floor, Raheja Mindspace, Building No. 3A and 3B, Survey No. 64(Part), Hyderabad 500081 Vadodara office: Offices number HR403 & HR404, Park Paradise-High Rise Tower, Nr. Vadsar bridge, Vadsar, Vadodara – 390 010 U.S.A. Branch office 5000, Windplay Drive, Suite #5, El Dorado Hills, CA 95762, U.S.A
2.	R Systems Inc. 5000, Windplay Drive, Suite # 5, El Dorado Hills, CA 95762, U.S.A
3.	R Systems Technologies Ltd. 5000, Windplay Drive, Suite # 5, El Dorado Hills, CA 95762, U.S.A
4.	RSYS Technologies Ltd. Vancouver office 1000, Cathedral Place, 925 West Georgia Street, Vancouver BC V6C 3L2, Canada. Ontario office 2425 Matheson Blvd East Unit 875, Mississauga, Ontario, L4W 5K4 Canada
5.	RSIL Mexico, S. de R.L. de C.V. 1. WeWork , 01A-109 and 01A-110, Montes Urales 424, Lomas de, Chapultepec V secc., Miguel Hidalgo, Mexico City, 11000 Mexico 2. Av. Paseo de las Palmas 405, Lomas de Chapultepec III Secc, Miguel Hidalgo, 11000, Mexico City
6.	R Systems Computaris International Limited Larch House Parklands Business Park, Denmead, Waterlooville, Hampshire, United Kingdom, PO7 6XP
7.	R Systems Computaris S.R.L Vlaicu Pircalab Street, No 63, Et. 8, Oficiu B, MD – 2012, Sky Tower Business Center Chisinau, Republica Moldova
8.	R Systems Computaris Malaysia Sdn. Bhd Lot. No. 5F-1, 5 th Floor Tower 5, Puchong Financial Corporate Center, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor, Malaysia
9.	R Systems Computaris Poland Sp. Z O.O. Warsaw office Inflancka 4A, 5th floor, 00-189 Warszawa Polska Bialystok Office ul. Św. Rocha 10/2, 1 st floor, 15-879 Bialystok
10.	R Systems Computaris Europe S.R.L Bucharest office Tiriac Tower, Str. Buzesti 82-94, 5th floor, District 1, Bucuresti, 011017 Romania Galati office 23 Logofat Tautu Str., 800009, Galati, Romania Craiova office 2 Market Street, Chiriac Market, Dolj, Craiova, Romania Germany Office Rather StraBe 110 a 40476 Dusseldorf

11.	R Systems Computaris Philippines Pte. Ltd. Level 16 Tower 6789, 6789 Ayala Avenue, 1206 Makati City, Philippines
12.	R Systems Computaris Suisse Sàrl Rue du Trésor 9, c/o Me Madalina Diaconu, Etudes SPLC Avocats & Notaires, 2000 Neuchâtel
13.	R Systems (Singapore) Pte Limited #04-01, 16 Jalan Kilang, Hoi Hup Building, Singapore 159416
14.	R Systems Consulting Services Limited #04-01, 16 Jalan Kilang, Hoi Hup Building, Singapore 159416
15.	R Systems Consulting Services (M) Sdn. Bhd. Suite 5F-1, 5 th Floor, Tower 5, Puchong Financial Corporate Centre (PFCC) Jalan Puteri ½, Bandar Puteri, 47100 Puchong Selangor, Malaysia
16.	R Systems Consulting Services (Hong Kong) Limited Rm 2808 28/F Wu Chung House 213 Queen's Road East, Wan Chai, Hong Kong
17.	R Systems Consulting Services (Thailand) Co. Ltd. 101 True Digital Park, Pegasus Building, 5 th Floor, Unit 501, Sukhumvit Road, Bang Chak, Phra Khanong, Bangkok 10260 Thailand
18.	R Systems Consulting Services Kabushiki Kaisha Housho building 3F-B,15-2 Rokubancho, Chiyoda-ku, Tokyo, Japan, 102-0085
19.	R Systems Consulting Services (Shanghai) Co., Ltd. Rm H, 20 Floor, Foresight Mansion, No. 768 Xie Tu Rd, Shanghai, China
20.	R Systems Consulting Services Limited 126 Nguyen Thi Ming Khai, Xuan Hoa Ward, Ho Chi Minh City, Vietnam
21.	R Systems IBIZCS Pte. Ltd. 16 Jalan Kilang#04-01 Hoi Hup Building Singapore 159416
22.	R Systems IBIZCS Sdn. Bhd. Suite 5F-1, 5 th Floor, Tower 5, Puchong Financial Corporate Centre (PFCC) Jalan Puteri ½, Bandar Puteri, 47100 Puchong Selangor, Malaysia
23.	PT R Systems IBIZCS International Setiabudi Building 2, 2 nd Floor, Suite 203, Jl. H.R. Rasuna Said Kav. 62, Jakarta Selatan 12920
24.	IBIZ Consulting Services Limited Units 1901-3, 19/F, Strand 50, 50 Bonham Strand, Sheung Wan, Hong Kong
25.	IBIZ Consulting Services (Shanghai) Co. Ltd. Room 1721, 17F, Building A, CCIG International Plaza ,No. 331, North Caoxi Road, Xuhui District, Shanghai, China 200030
26.	IBIZ Consulting (Thailand) Co Ltd. 101 True Digital Park, Pegasus Building, 5 th Floor, Unit 501, Sukhumvit Road, Bang Chak, Phra Khanong, Bangkok 10260 Thailand.
27.	Novigo Solutions Private Limited D No 18-1-1/102,103, 5 th Floor, Karuna Pride, Mother Teresa Road, Falnir, Dakshina Kannada, Mangalore, Karnataka-575001 Novigo Solutions Pvt Ltd- Branch Office Office No-3504 Building 332-Api Tower, Al Barsha Sheikh Zayed Road, Al Barsha 1, Dubai, Dubai Kochi, Office First Floor, 1, Carnival Infopark Phase 1, Infopark Road, Vanilla Networks Pvt Ltd, Infopark, Kakkanad, Ernakulam, Kerala, 682030
28.	Novigo Solutions Inc. 325 N. St. Paul Street Suite 3100 Dallas, Texas 75201 USA
29.	Novigo Solutions Limited Innovation Centre, Gallows, Hill Warwick United Kingdom Cv34 6Uw
30.	Novigo for Information Technology Building No 3141, Anas Bin Malik, Al Malqa Dist, Riyadh, KSA
31.	Novigo Solutions B.V. Professor Jh Bavincklaan 7-9,1183 At Amstelveen, Netherlands

Note: The above list of offices/locations of the Company and its subsidiaries is indicative and not exhaustive.

9.17. Address for correspondence

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares:

Annexure B to the Board's Report

RTA:

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
Noble Heights, 1st Floor, Plot NH 2, C-1, Block LSC, Near
Savitri Market, Janakpuri, New Delhi – 110058,
Phone: 011 - 414 10592, 93, 94; Fax: 011 - 414 10591
Email: investor.helpdesk@in.mpms.mufig.com

For and on behalf of
R Systems International Limited

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Chişinău, Moldova
Date : May 27, 2026

For General Correspondence:

R Systems International Limited
3rd Floor, Tower No. 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd,
Plot No. 21, Sector TechZone-IV, Greater Noida West,
Gautam Buddha Nagar, Uttar Pradesh – 201306

Phone: 0120 - 430 3500,
Email: investors@rsystems.com

Ruchica Gupta
Chairperson & Non-Executive
Independent Director
DIN: 06912329

Place : New Delhi
Date : May 27, 2026

Certification by the Chief Executive Officer and Chief Financial Officer of R Systems International Limited

We, Nitesh Bansal, Managing Director & Chief Executive Officer and Nand Sardana, Chief Financial Officer, hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended on December 31, 2025 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 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, wherever applicable:
 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 we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors of
R Systems International Limited

Nitesh Bansal
(Managing Director &
Chief Executive Officer)

Place : Philadelphia, USA
Date : February 10, 2026

Nand Sardana
(Chief Financial Officer)

Place: Greater NOIDA
Date : February 10, 2026

Annexure-1

Certificate of Non-Disqualification of Directors

To,

The Members of

R SYSTEMS INTERNATIONAL LIMITED

(CIN: L74899DL1993PLC053579)

GF-1-A, 6, Devika Tower, Nehru Place,
New Delhi – 110019

1. That the equity shares of **R SYSTEMS INTERNATIONAL LIMITED** (hereinafter referred as ("the Company")) are listed on BSE Limited and National Stock Exchange of India Limited.
2. We have examined the relevant disclosures received from the directors as well as the registers, records, forms, and returns maintained by the Company and 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.
3. In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN status at the portal, www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we certify that none of the below named directors of the Company as on 31st December, 2025 have been debarred or disqualified from being appointed or continuing as director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

Sr. No.	Name of Director	Director's Identification Number (DIN)	Date of Appointment in Company
1.	Mrs. Ruchica Gupta	06912329	07/07/2014
2.	Mr. Nitesh Bansal	10170738	30/05/2023
3.	Mr. Mukesh Gulraj Mehta	08319159	10/05/2023
4.	Mr. Amit Dalmia	05313886	10/05/2023
5.	Mr. Animesh Agrawal	08538625	10/05/2023
6.	Mr. Kapil Dhameja	02889310	29/06/2016
7.	Mr. Aditya Wadhwa	07556408	29/06/2016

4. Ensuring the eligibility of 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 on the eligibility of directors based on our verification. 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.
5. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For DPV & Associates LLP

Company Secretaries

Firm Reg. No.: L2021HR009500

Peer Review Certificate No. 6189/2024

Devesh Kumar Vasisht

Managing Partner

CP No.:13700 / Mem. No. F8488

UDIN: F008488H000281761

Date : May 6, 2026

Place : Faridabad

Annexure C to the Board's Report

**To the members of
R Systems International Limited**

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter dated February 15, 2026.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of R Systems International Limited (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on December 31, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. 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 Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. 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.
6. 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.
7. 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

8. 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 regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended December 31, 2025.
9. We 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.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

(Membership No. 93474)

(UDIN: 26093474UXTUHK8799)

Place : Gurugram
Date : May 27, 2026

Annexure D to the Board's Report

Management's Discussion and Analysis

Overview

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standard) Rules as amended from time to time. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present the state of affairs, profits, and cash flows for the year.

A. Industry Structure and Developments

The IT services industry closed 2025 in a noticeably different posture than it began the year. 2024 had carried AI excitement. 2025 became the year of proof-of-concept and use-case experiments, where enterprises and ISVs deployed AI tools across the software development lifecycle and business workflows to test what individual productivity gains actually looked like at the engineering desk. Through that experimentation, a clear pattern surfaced. Individual engineers measurably worked faster on AI-assisted tasks, while team-level velocity, cycle times, and portfolio throughput largely stayed flat. The question that enterprises started putting to their technology partners shifted accordingly, from whether AI could be used to why AI investments were not yet producing measured, governed outcomes at the team and organizational level.

That shift sat at the center of the technology services agenda for the year. Industry analysts, including Gartner, projected that close to half of agentic AI initiatives could be abandoned by 2027 if expectations, operating costs, and governance gaps were not addressed in tandem. Enterprises and ISVs began speaking openly about tooling fatigue, uneven AI proficiency across teams, ambiguity around intellectual property and data handling, and security or audit gaps that had been bolted on to AI workflows rather than designed into them. Each of those issues pointed to the same root. AI usage at the individual level had outpaced the organization's capacity to operate AI as a governed, measurable, repeatable system. Cloud, cybersecurity, platform engineering, and data engineering continued to expand as foundational layers, but the conversation in which they sat had matured.

Six demand patterns shaped the digital product engineering and IT services market throughout the year. Agentic AI moved from concept to production deployment, where multi-agent orchestration, observability, and human-in-the-loop governance became the deciding capabilities. Legacy modernization regained importance as enterprises started preparing their estates to be AI-ready, with code, data, and analytics layers each requiring structural rebuilds. Platform engineering and SDLC automation expanded as the highest-return early use cases. Domain-specific data assets, including AI-grade data engineering and context fabrics, moved from

optional to essential. Verticalized AI applications gained traction in regulated industries. And cost engineering of AI workloads became a board-level discussion as token economics began to show up in CFO conversations.

The Group serves clients across five industry verticals through these shifts: Tech, Internet, Platforms and Services; Healthcare; Manufacturing & Logistics; Telecom, Media, and Entertainment; Banking, Financial Services, and Insurance. Demand patterns were not uniform across these domains, but they shared a consistent question. ISVs and platform companies are rebuilding parts of their products with AI as a first-class capability rather than a feature add-on. Healthcare clients are navigating clinical AI, revenue cycle automation, and HIPAA-aligned governance simultaneously. Manufacturing, logistics, and automotive clients are connecting plant-floor data, predictive operations, and supply chain intelligence into unified decision layers. Telecom, media, and entertainment continued to invest in network optimization, content engineering, and customer experience platforms. Banking, financial services, and insurance carried the heaviest regulatory load, and paced AI deployment to match audit and compliance expectations. Services and Public Services emerged as faster-growing pockets, with workflow automation and citizen-facing platforms drawing investment that did not exist at this scale a year earlier.

B. Company Overview

R Systems International Limited (the 'Company' or 'the Parent Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') are a public company domiciled in India, having its registered office at New Delhi. Its equity shares are listed on the National Stock Exchange of India Limited and debentures on BSE Limited. The Group is a leading global provider of technology, artificial intelligence, intelligent process automation services, and solutions, along with knowledge services. The Group delivers its services and solutions to leading technology companies and businesses to enable their digital transformation.

The Company has the following subsidiaries:-

Name	Holding as at		Country of incorporation and other particulars
	December 31, 2025	December 31, 2024	
R Systems, Inc., USA	100%	100%	A company registered under the laws of California, USA in 1993 and subsidiary of the Company since January 2, 2001.
R Systems (Singapore) Pte Limited, Singapore	100%	100%	A company registered under the laws of Singapore in 1997 and subsidiary of the Company since September 19, 2000.
R Systems Technologies Limited, USA	100%	100%	A company registered under the laws of Delaware, USA in 1996 and subsidiary of the Company since April 1, 2002.
R Systems Consulting Services Limited Singapore	99.75%	99.75%	A company registered under the laws of Singapore in 1996. The Company has acquired majority share on January 8, 2004. R Systems Consulting Services Limited, Singapore has subsidiaries in Malaysia, Thailand, China, Hong Kong, Japan and Vietnam. The shareholding by the Company and R Systems (Singapore) Pte Limited is 69.37% and 30.38% respectively.
R Systems Computaris International Limited, UK	100%	100%	A company registered under the laws of U.K in 2006. The Company has acquired the entire share on January 26, 2011. R Systems Computaris International Limited, U.K. has subsidiaries in Romania, Poland, Moldova, Malaysia, Switzerland and Philippines.
RSYS Technologies Ltd., Canada	100%	100%	A company registered under the laws of Canada in 2012 and subsidiary of the Company since October 29, 2012.
Velotio Technologies Private Limited (“Velotio”) (refer to Note below)	100% outstanding equity capital	100% outstanding equity capital	A private company registered under the Companies Act, 2013 in 2016 and the subsidiary of the Company since July 3, 2023.
RSIL Mexico, S. de R.L. de C.V.	100%	100%	A company registered under the laws of United Mexican States in 2024 and subsidiary of the Company since October 9, 2024.
Novigo Solutions Private Limited India	100% outstanding equity capital	-	A private company registered under the Companies Act, 2013 in 2013 and subsidiary of the Company since November 13, 2025.

Note:

As of December 31, 2025, and December 31, 2024, Scaleworx Technologies Private Limited (Scaleworx) is the wholly owned subsidiary of Velotio.

Subsequent to the year ended December 31, 2025, pursuant to the Order effective from May 01, 2026, Velotio and Scaleworx stand merged with the Company and have accordingly ceased to be its subsidiaries.

R Systems Consulting Services Limited, Singapore, has the following wholly owned subsidiaries:

Name	Holding as at		Country of incorporation
	December 31, 2025	December 31, 2024	
R Systems Consulting Services (M) Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Consulting Services (Thailand) Co., Ltd.	100 %	100 %	Thailand
R Systems Consulting Services (Shanghai) Co., Ltd.	100 %	100 %	People's Republic of China
R Systems Consulting Services (Hong Kong) Limited.	100 %	100 %	Hong Kong (Special Administrative Region)
R Systems Consulting Services Kabushiki Kaisha	100 %	100 %	Japan
R Systems Consulting Services Company Limited (incorporated on October 17, 2022)	100 %	100 %	Vietnam

Annexure D to the Board's Report

R Systems Computaris International Limited, UK, has the following wholly owned subsidiaries:

Name	Holding as at		Country of incorporation
	December 31, 2025	December 31, 2024	
R Systems Computaris Europe SRL	100 %	100 %	Romania
R Systems Computaris Poland sp z o.o	100 %	100 %	Poland
R Systems Computaris S.R.L	100 %	100 %	Moldova
R Systems Computaris Malaysia Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Computaris Philippines Pte. Ltd. Inc.	100 %	100 %	Philippines
R Systems Computaris Suisse Sarl	100 %	100 %	Switzerland

R Systems IBIZCS Pte. Ltd., Singapore, is a wholly owned subsidiary of R Systems (Singapore) Pte Limited, Singapore w.e.f. April 30, 2015, and has the following wholly owned subsidiaries:

Name	Holding as at		Country of incorporation
	December 31, 2025	December 31, 2024	
IBIZ Consulting Services Pte Ltd., Singapore (strike off w.e.f. January 08, 2024)	-	-	Singapore
R Systems IBIZ Sdn. Bhd.	100 %	100 %	Malaysia
PT. R Systems IBIZCS International	100 %	100 %	Indonesia
IBIZ Consulting (Thailand) Co. Ltd.	100 %	100 %	Thailand
IBIZ Consulting Service Limited (IBIZ HK)	100 %	100 %	Hong Kong (Special Administrative Region)
IBIZ Consulting Service Shanghai Co., Ltd	100% by IBIZ HK	100% by IBIZ HK	People's Republic of China

Novigo Solutions Private Limited is a subsidiary of R Systems International Limited w.e.f. November 13, 2025, and has the following wholly owned subsidiaries:

Name	Holding as at December 31, 2025	Country of incorporation
Novigo Solutions Inc	100 %	United States of America
Novigo for Information Technology	100 %	Kingdom of Saudi Arabia
Novigo Solutions B.V.	100 %	Netherlands
Novigo Solutions Limited	100 %	United Kingdom

C. Opportunities and Threats

The conditions through 2025 created a clearer commercial opening for partners that had built the engineering depth, governance architecture, and proficient talent base required to deliver AI in production rather than only in pilot. Enterprises and ISVs that had spent the year on tools alone became actively interested in working with partners who could close the gap between individual productivity and team-level, governed outcomes. R Systems entered FY 2026 with the offering, the proof points, and the institutional capability needed to address that demand at scale.

The clearest opportunity sits at four customer archetypes that span the Group's verticals. ISVs that built their products before the current generation of AI are looking to rebuild parts of their offerings with AI as a primary capability, which calls

for both modernization and AI-native engineering. Vertical software companies with deep domain models, particularly in healthcare, legal, retail, and clinical workflows, are layering fine-tuned models and context engineering on top of their existing data assets. Among large enterprises running heavy systems of record, the demand has shifted toward agentic workflows that orchestrate across claims, revenue cycle management, IT service management, and human resources without disturbing the underlying data layer. The fastest-growing pocket is AI-native startups and scale-ups that need to move from prototype to scale at speed, which is where reusable agent frameworks and OptimaAI accelerators provide direct commercial leverage. The Novigo acquisition, completed in November 2025, strengthened the Group's agentic AI delivery capability and added Mangaluru as a developing center of agentic engineering talent. The Group's integrated AI delivery

capability, combining OptimaAI as the agentic platform with the AIEV-certified practitioner bench and a structured five-phase execution methodology, took shape throughout the year as a packaged, repeatable way to move clients from assessment to production, typically within ninety days.

The threat landscape is real and is managed actively. Talent retention in AI-skilled roles remains competitive, with a small global pool of practitioners commanding strong compensation across geographies. Cybersecurity exposure expands as AI agents extend their reach into client systems, and the governance burden, including agent observability, role-based access control, and prompt-injection protection, falls on the partner as much as on the client. Geopolitical and trade-policy shifts can affect demand cycles and project economics in specific corridors. Customer concentration, hyperscaler dependency, and exchange-rate fluctuations carry their usual industry-level risks. The agentic AI hype cycle itself is a double-edged factor for the year ahead. A partner who cannot demonstrate production-grade outcomes, with measurable engineering velocity and governed deployments, risks being grouped with the half of agentic projects that industry analysts expect to be abandoned over the next two years. Separately, the Government of India's notification of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the "Labor Codes") in November 2025 marks a structural shift in employment-cost economics for the Indian IT industry. The Group has assessed and recognized the financial implications during the year as set out in Section E.

These risks are managed through the Group's proficiency-driven talent framework, governance-first platform architecture, vertical and geographic diversification, and disciplined commercial structuring. The Risk Management Report covers the full set of identified risks and the Group's response to each.

D. Segment-wise and Product-wise Performance

Detailed information about segment-wise and product-wise performance has been given in the Consolidated Financial Statements and Standalone Financial Statements.

E. Performance and Outlook

R Systems reported consolidated revenue of Rs. 19,582.06 million during the year 2025, against revenue of Rs. 17,417.27 million during the year 2024. Revenue grew by 12.4% during the year, driven by continued demand across the Group's five verticals and contribution from the Novigo acquisition completed in November 2025.

Consolidated profit after tax for the year 2025 was Rs. 1,861.96 million, against Rs. 1,311.82 million for 2024. The increase in net profit reflects the gain on sale of land, building, and certain other assets located at the Company's NOIDA office, partially offset by an increase in employee benefit obligations arising from past services. The latter relates to the Government of India's notification of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 in November 2025 (collectively, the "Labour Codes"), and the Group has recognised an incremental obligation of Rs. 245.83 million on a consolidated basis (Rs. 242.61 million on a standalone basis) under Exceptional Items, given the non-recurring nature of the change.

Basic earnings per share on the consolidated financial statements for the year 2025 were Rs. 15.73, against Rs. 11.09 in 2024, on a face value of Re. 1 each.

R Systems maintains a solid financial position, with equity attributable to equity shareholders of Rs. 7,916.23 million and net cash and bank balance of Rs. 3,141.13 million as of December 31, 2025, available to fund the Group's growth plans and continued investment in talent, platform, and acquisitions.

R Systems is well-positioned to continue its growth trajectory through FY 2026 on the strength of the following differentiated factors:

- AI-first execution capability anchored in OptimaAI, the Group's enterprise-grade agentic AI platform, with more than 150 domain-agnostic agents, 18 industry blueprints, agent templates, and AI-native accelerators that move clients from assessment to production typically within ninety days
- A proficiency-driven AI talent base of more than 1,400 practitioners certified across the four-level AIEV framework (Aspirant, Beginner, Builder, Champion), with progression based on evidence of merged pull requests, deployments, and coaching contributions rather than self-reported credentials
- A five-layer AI value framework for digital product engineering that integrates governance and foundation models, connectors and integrations, prompts and evaluations, industry value chains, and customer insight, allowing AI to be deployed as a governed system rather than as point tools
- Recognition by Everest Group as a Leader in the 2025 PEAK Matrix Assessment for Software Product Engineering Services for Mid-market Enterprises, alongside Major Contender positions in adjacent assessments
- Vertical depth across Tech, Internet, Platforms and Services; Healthcare; Manufacturing, Logistics, and Automotive; Telecom, Media, and Entertainment; Banking, Financial Services, and Insurance with strategic concentration in TIPS, Healthcare, and TME
- Long-term relationships with marquee customers, including Fortune 500 enterprises and 45-plus portfolio companies of leading private equity firms, including Blackstone, KKR, Thoma Bravo, K1, and TPG
- Strengthened agentic AI delivery capability through the November 2025 acquisition of Novigo Solutions, with Mangaluru emerging as a developing center of agentic engineering talent
- Global delivery footprint across 22 development and service centers covering North America, Europe, India, ASEAN, Greater China, Japan, the Middle East, and Latin America
- Adherence to enterprise-grade quality, security, and compliance certifications, including ISO 9001:2015, ISO 27001:2022, CMMIDEV/5, HITRUST, PCI DSS (ver. 4.0), and SOC 2 Type 2
- A strong balance sheet to support liquidity, ongoing investment, and inorganic growth opportunities

Annexure D to the Board's Report

The demand environment entering 2026 has shifted from AI experimentation toward AI implementation, where measured engineering velocity, governance, and outcomes at the team and portfolio level have become the basis on which partner decisions are made. R Systems' combination of OptimaAI, the AIEV-certified practitioner bench, and the structured five-phase delivery methodology positions the Group to meet that demand with proof rather than promise. Subsequent to the year-end, the Group has brought these capabilities together under EXIQO, the AI studio launched by R Systems in 2026, providing a unified, market-facing offering aligned to where enterprises and ISVs are headed in their AI journey.

F. Risk and Concerns

At R Systems, risk management is a dynamic process with an attempt to constantly identify all the emerging risks and propose solutions to manage them meticulously. This is further explained in detail in the Risk Management Report.

G. Internal Control Systems and Their Adequacy

Internal control systems are a set of policies, processes, and procedures put in place to help achieve the strategic objectives of an organization. The Company's Internal Control System is commensurate with the size, scale, and complexity of its operations. It has been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with corporate policies. In addition, the Company has identified and documented the key risks and

controls for each process that has a relationship to the financial operations and reporting. Internal teams test identified vital controls at regular intervals to ensure their existence and operating effectiveness. Further, the internal auditors also perform an independent check of the effectiveness of key controls in identified areas of internal financial control reporting. The Statutory Auditor's Report also includes an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

The CEO/CFO certification provided in this report places responsibility on the CEO and CFO to continuously ensure the adequacy of the Company's internal control systems and procedures.

H. Material Development in Human Resources / Industrial Relations Front, including the Number of People Employed

At R Systems, we identify our associates as our most valued assets, and we recognize their commitment to the growth journey of our organization. It is critical to attract, develop, deploy, and retain talent in the IT and ITES industry. Therefore, R Systems has also defined and implemented a people management initiative, in line with the industry best practices and the People Capability Maturity Model (People CMM). It effectively manages the life cycle to ensure that individuals are committed to the broader organizational goals and show pro-activeness at the workplace.

As at December 31, 2025, R Systems has a talent pool of 5,359 associates, including 581 sales and support associates.

I. Discussion on financial performance with respect to operational performance.

Financial Position as of December 31, 2025

1. Property, Plant and Equipment (PPE), Right-of-Use Assets (ROU), and Intangible Assets

PPE includes building, leasehold improvement, computer hardware, furniture & fittings, vehicle, office, and electrical equipment. ROU includes land, building, computer hardware, computer software, vehicle, and furniture & fittings. Intangible assets include Goodwill on consolidation, computer software, non-compete, and customer contracts.

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Property, plant and equipment	673.67	436.83	481.31	309.52
Right-to-use assets	736.56	495.85	516.88	403.12
Capital work in progress	1.34	-	-	-
Goodwill	6,956.74	2,836.24	-	-
Other intangible assets	2,867.35	1,923.55	57.35	2.56
Intangible assets under development	-	40.53	-	40.53
Total	11,235.66	5,733.00	1,055.54	755.73

Details of total additions to gross block during the year are:

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Property, plant and equipment	536.20	153.65	323.75	101.12
Right-to-use assets	402.99	32.91	186.42	-
Other intangible assets	1,233.45	0.04	65.62	-
Goodwill	4,104.56	-	-	-

Note: Refer to the Consolidated Financial Statement and Standalone Financial Statement for head-wise details.

Details of total additions in the consolidated financial statement through acquisition during the year ended December 31, 2025, are as follows:

(Rs. in million)

Particulars	Consolidated	
	Gross Block	Net Block
Property, plant and equipment	128.78	50.07
Right-to-use assets	126.37	105.16
Other intangible assets	1,149.42	1,149.42
Goodwill	4,104.56	4,104.56

Note: For details, please refer to Note no. 35 Consolidated Financial Statement.

2. Investment Property

Investment Property represents the land and building in Pune, which have been given on lease. Investment Property value (net) as of December 31, 2025, was Rs. 12.99 million as against Rs. 14.47 million as of December 31, 2024.

3. Non-Current Investment

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Investment in subsidiaries (net of provision for diminution in the value of investment)	-	-	7,752.45	3,735.19
Other investment	0.03	0.03	0.03	0.03
Total	0.03	0.03	7,752.48	3,735.22

Increase in investment in subsidiaries represents further investment in RSIL Mexico, S. de R.L. de C.V., and the amount paid with respect to the acquisition of Novigo Solutions Private Limited.

Note: Please refer to Note no. 4, Standalone Financial Statement.

4. Other Non-Current Financial Assets

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Security deposits	55.73	25.67	40.65	19.78
Margin money deposits	32.69	32.24	0.64	0.60
Interest accrued on fixed deposits	0.17	0.13	0.01	0.02
Staff advance	0.05	0.17	0.06	0.17
Bank deposits to be matured after 12 months	0.30	-	-	-
Recoverable from subsidiaries towards RSU	-	-	77.63	-
Total	88.94	58.21	118.99	20.57

Annexure D to the Board's Report

5. Deferred Tax Liability/Assets (Net)

Deferred tax reflects the timing differences between the financials and tax books arising mainly from employees benefit provisions, difference in book values and tax base values of depreciable assets, right-of-use assets and lease liabilities, Provision for doubtful debts, tax losses, M2M loss on derivative instruments (results in deferred tax assets), differences between accounting base and tax base Non-convertible debenture and M2M gain on derivative instruments (results into deferred tax liability).

Deferred tax assets and deferred tax liabilities across various tax jurisdictions, which cannot offset against each other, are presented separately.

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Deferred Tax Assets	608.47	392.01	361.56	276.72
Deferred Tax Liability	0.17	-	-	-

6. Income Tax Assets/Liability

Income tax assets represent the excess of tax paid over liability. It has been classified as non-current tax assets in the financial statement. Income tax liability represents the excess of tax liability over advance tax. It has been classified as current tax liability in a financial statement, as the Company is required to settle the same within 12 months from the reporting date.

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Income tax assets (net)	81.41	45.59	18.06	19.21
Income tax liability (net)	172.06	184.81	85.97	153.78

Income tax assets/liabilities across various tax jurisdictions that cannot offset against each other are presented separately.

7. Other Non-Current Assets

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Prepaid expenses	40.74	37.91	29.45	37.22
Total	40.74	37.91	29.45	37.22

8. Trade Receivables

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Trade receivables (gross)	4,378.30	2,649.35	2,066.02	1,136.95
Less: Allowance for doubtful debts (expected credit loss allowance)	271.69	76.26	94.06	40.86
Trade receivables (net)	4,106.61	2,573.09	1,971.96	1,096.09

9. Cash and Bank Balance

Cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity period of three months or less.

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Cash and cash equivalents				
Cash on hand	1.47	1.01	0.08	0.14
Balances with scheduled banks	784.00	499.46	232.87	213.86
Balances with other banks	2,299.02	1,400.42	322.72	173.15
Cash and cash equivalents (A)	3,084.49	1,900.89	555.67	387.15
Other bank balances				
Deposit with an original maturity of more than 3 months but less than 12 months	51.25	32.87	-	2.36
Balances in unclaimed dividend account	5.39	3.70	5.39	3.70
Other bank balances (B)	56.64	36.57	5.39	6.06
Total Cash and Bank Balance (A+B)	3,141.13	1,937.46	561.06	393.21

Note: For detailed movement in cash and cash equivalent, please refer to the Consolidated and Standalone statement of cash flow.

10. Other Current Financial Assets

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Staff advance	18.28	8.29	0.88	1.57
Recoverable from related parties	-	-	8.52	50.03
Unbilled revenue other than from fixed bid contract	793.96	697.05	404.09	583.97
Securities deposit	18.76	30.53	0.71	11.35
Bank deposits with original maturity of more than 12 months	-	47.47	2.51	-
Interest accrued on bank deposits	2.13	2.40	-	-
Other	37.12	11.92	4.23	2.91
Total	870.25	797.66	420.94	649.83

Unbilled revenue constitutes amounts that are not billed to customers at year-end, which is expected to be billed in due course in accordance with the contract with the respective customers.

11. Other Current Assets

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Balances with indirect tax authorities	164.55	142.14	96.46	107.09
Unbilled revenue from fixed bid contract	367.20	126.23	134.40	22.35
Prepaid expenses	276.28	224.31	168.02	148.28
Advance to vendors	26.39	7.85	9.72	6.81
Tour and travel advance	1.20	1.83	1.20	1.83
Total	835.62	502.36	409.80	286.36

Annexure D to the Board's Report

12. Share Capital

- a. The Company's authorised share capital is Rs. 206 million as of December 31, 2025, and December 31, 2024. The Company's issued, subscribed and paid-up capital as of December 31, 2025, and December 31, 2024, is Rs.118.40 million and Rs.118.31 million respectively.
- b. The Board of Directors at its meeting held on May 8, 2025 had declared an interim dividend of Rs. 6.00/- per equity share of face value of Re. 1/- each aggregating to Rs. 710.28 million.

Detailed information about the movements in share capital and RSUs has been given in Note no. 11 of notes to the Consolidated Financial Statements.

13. Other Equity

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Reserve and Surplus				
Share application money pending allotment	.03	-	.03	-
Securities premium account	51.44	-	51.44	-
Capital reserve under common control	(0.34)	(0.34)	(0.34)	(0.34)
Capital reserve other	0.03	0.03	-	-
Capital redemption reserve	5.02	5.02	5.02	5.02
Share based payment reserve	505.30	298.86	505.29	298.86
Retained earnings	6,354.82	5,210.72	6,222.75	4,709.94
Other Comprehensive Income				
Foreign currency translation reserve	881.53	607.90	-	-
Total Other Equity	7,797.83	6,122.19	6,784.19	5,013.48

14. Non-Controlling Interest

Non-controlling interest as of December 31, 2025 and December 31, 2024 is Rs. 4,330.88 and Rs. 2,407.00 respectively.

Detailed information regarding the increase in the non-controlling interest has been given in Note no. 35 of notes to the Consolidated Financial Statements.

15. Borrowings (Non-Current and Current)

(Rs. in million)

	December 31, 2025	December 31, 2024
Term loans		
-Motor vehicles Loan from non-banking financial company (secured)		
Non-Current Portion	15.84	13.01
Current Portion	11.42	11.46
Non-convertible debentures	2,695.91	-
Cash credit facility from scheduled banks	442.97	52.86
Total Borrowings	3,146.14	77.33

During the year, the Company issued 27,500 listed, rated, unsecured, senior, redeemable, non-convertible debentures ("NCDs") of the face value of Rs.1 Lakh each, aggregating to Rs.2,750.00 million @9.75% p.a. through private placement which were allotted on November 11, 2025. The interest is payable quarterly, and first interest payment was made by the due date of December 31, 2025. The NCD's are repayable in equal semi-annual instalments of Rs.458.33million commencing from the end of the 30th month from the date of allotment. The NCD's are listed on BSE Limited. The proceeds of NCD's were utilized for the part payment of the acquisition of 100% equity shares of Novigo Solutions Private Limited. The NCD's were recognised net of transaction cost of Rs. 76.20 million.

16. Lease liabilities

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Non-current	788.60	561.28	620.97	528.63
Current	163.09	90.21	70.23	26.24
Total Lease liabilities	951.69	651.49	691.20	554.87

17. Other Non-Current Financial Liabilities

Other Non-Current Financial Liabilities represent the Security deposits received which is required to be paid after the 12 months from the reporting date based on contractual agreement. Security deposit as of December 31, 2025, was Rs. 15.28 mn as against of Rs. 12.18 mn as of December 31, 2024.

18. Provisions (Non-Current)

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Provision for Employee benefit – Gratuity	576.39	327.63	483.11	275.19

19. Trade Payables

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Trade Payable	1,141.22	406.23	230.78	97.92

During the year ended December 31, 2025 increase in trade payables on account of acquisition of Novigo Solutions Private Limited by Rs. 412.49 million.

20. Other Current Financial Liabilities

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Payable to subsidiary company	-	-	7.37	81.57
Security deposits received	15.08	13.37	15.08	13.37
Unclaimed dividend	5.39	3.70	5.39	3.70
Mark-to-market loss on derivative instruments	82.77	55.45	82.77	55.45
Employee benefits payable	1,210.08	812.61	491.63	383.68
Capital creditors	31.05	0.71	31.05	0.71
Advance from Customers	8.56	14.46	3.63	11.93
Interest accrued but not due	1.81	0.39	1.81	0.39
Other financial liabilities	11.48	7.73	3.35	3.31
Total	1,366.22	908.42	642.08	554.11

21. Other Current Liabilities

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Other statutory dues payable	301.56	237.78	102.01	101.62
Unearned revenues	547.02	249.21	34.39	49.03
Advance received towards sale of assets	-	70.00	-	70.00
Total	848.58	556.99	136.40	220.65

Annexure D to the Board's Report

22. Provisions (Short Term)

(Rs. in million)

Particulars	Consolidated		Standalone	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Provision for employee benefits				
-Gratuity	93.36	43.28	81.32	35.60
-Compensated absences	458.82	339.52	297.96	235.21
Provision for CSR	4.81	0.41	-	-
Total	556.99	383.21	379.28	270.81

23. Liquidity

The consolidated cash and cash equivalents as at December 31, 2025 were Rs. 3,084.49 mn as against Rs. 1,900.89 mn as on December 31, 2024.

Net cash generated from operating activities was Rs. 2,198.69 mn for the year ended December 31, 2025 compared to Rs. 2,352.65 mn for the year ended December 31, 2024.

Cash used in investing activities was Rs. 3,260.54 mn for the year ended December 31, 2025, and mainly comprised of payment towards Acquisition of subsidiary was Rs.3,282.48 mn payment on account of purchase of fixed assets was Rs. 440 mn as offset by proceeds from sale of property, plant and equipment amounting to Rs. 373.07 mn.

Cash generated from financing activities was Rs. 2,090.43 mn for the year ended December 31, 2025, and mainly comprised of proceeds from Non-Convertible Debenture was Rs. 2,673.80 mn as offset by payment of interim dividend amounting to Rs. 710.28 mn.

R Systems' policy is to maintain sufficient liquidity to fund the anticipated capital expenditures, operational expenses and investments for strategic initiatives.

Analysis and Discussions of Operating Performance for the Year Ended December 31, 2025

The following section discusses in detail the composition of different items in the Consolidated and Standalone Statement of Profit and Loss Account.

Consolidated Statement of Profit and Loss for the year:

(Rs. in million)

Particulars	Year ended December 31, 2025	% of Total Income	Year ended December 31, 2024	% of Total Income	Change %
Income					
Revenue from operations	19,582.06	97.34	17,417.27	99.52	12.43
Other income	536.12	2.66	83.14	0.48	544.84
Total income	20,118.18	100.00	17,500.41	100.00	14.96
Expenses					
Employee benefits expense	12,872.69	63.99	11,911.19	68.06	8.07
Finance costs	141.74	0.70	83.95	0.48	68.84
Depreciation and amortisation expense	663.98	3.30	653.73	3.74	1.57
Other expenses	3,642.23	18.10	2,936.52	16.78	24.03
Total expenses	17,320.64	86.09	15,585.39	89.06	11.13
Profit before exceptional item and tax	2,797.54	13.91	1,915.02	10.94	46.08
Exceptional item	245.83	1.22	-	-	100.00
Profit before tax	2,551.71	12.68	1,915.02	10.94	33.25
Tax expense	689.75	3.43	603.20	3.45	14.35
Net Profit for the year	1,861.96	9.26	1,311.82	7.50	41.94
Other comprehensive income / (loss)	266.05	1.32	(5.76)	(0.03)	(4,718.92)
Total comprehensive income for the year	2,128.01	10.58	1,306.06	7.46	62.93

Standalone Statement of Profit and Loss for the year:

(Rs. in million)

Particulars	Year ended December 31, 2025	% of Total Income	Year ended December 31, 2024	% of Total Income	Change %
Income					
Revenue from operations	11,008.05	91.10	9,114.40	95.18	20.78
Other income	1,075.72	8.90	461.75	4.82	132.97
Total income	12,083.77	100.00	9,576.15	100.00	26.19
Expenses					
Employee benefits expense	6,941.67	57.45	6,152.53	64.25	12.83
Finance costs	136.09	1.13	77.61	0.81	75.35
Depreciation and amortisation expense	222.87	1.84	226.91	2.37	(1.78)
Other expenses	1,803.63	14.94	1,232.17	12.88	46.38
Total expenses	9,104.26	75.34	7,689.22	80.30	18.40
Profit before exceptional item and tax	2,979.51	24.66	1,886.93	19.70	57.90
Exceptional item	242.61	2.01	-	-	100.00
Profit before tax	2,736.90	22.65	1,886.93	19.70	45.05
Tax expense	508.19	4.21	401.38	4.19	26.61
Net Profit for the year	2,228.71	18.44	1,485.55	15.51	50.03
Other comprehensive income / (loss)	(5.62)	(0.05)	(1.48)	(0.01)	279.73
Total comprehensive income for the year	2,223.09	18.41	1,484.07	15.50	49.80

1. Revenue

1.1 Revenue from Operations

R Systems derives revenue primarily from Information Technology services and Business Process Outsourcing services (knowledge services). Revenue is recognised when the performance obligations as promised have been satisfied, with a transaction price has been determined and when where there is no uncertainty as to the measurement or collectability of the consideration.

1.1.1 Based on Consolidated Financial Statement

(Rs. in million)

Particulars	Year ended December 31, 2025	%	Year ended December 31, 2024	%	change %
Information technology services	17,559.93	89.67	15,725.17	90.28	11.67
Business process outsourcing services (net of inter segment revenue)	2,022.13	10.33	1,692.10	9.72	19.50
Total	19,582.06	100.00	17,417.27	100.00	12.43

1.1.2 Based on Standalone Financial Statement

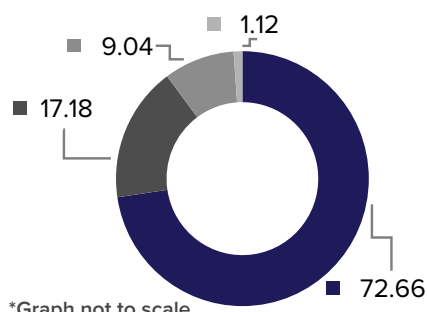
(Rs. in million)

Particulars	Year ended December 31, 2025	%	Year ended December 31, 2024	%	change %
Information technology services	8,922.49	81.05	7,357.95	80.73	21.26
Business process outsourcing services	2,085.56	18.95	1,756.45	19.27	18.74
Total	11,008.05	100.00	9,114.40	100.00	20.78

Annexure D to the Board's Report

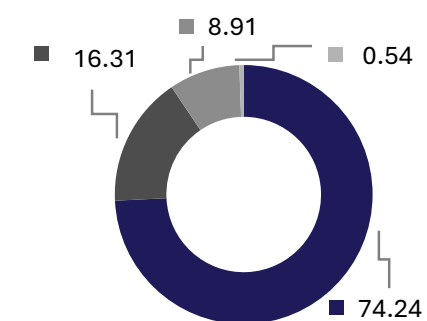
11.3 Consolidated Revenue by Geography

R Systems earns income from four principal geographic territories, namely Americas, Europe, APAC ("SEAC"), and MEA. A significant proportion of the revenues were derived from clients located in North America. The geographic breakdown is given below:



*Graph not to scale

Geography	Year ended December 31, 2025
Americas	72.66%
APAC	17.18%
Europe	9.04%
MEA	1.12%
	100%

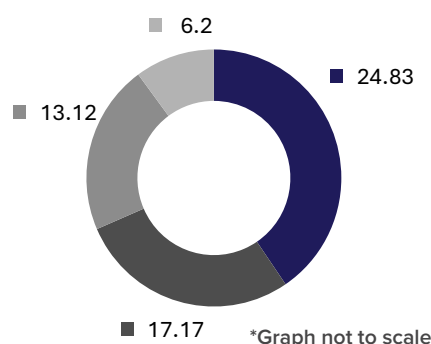


*Graph not to scale

Geography	Year ended December 31, 2024
Americas	74.24%
APAC	16.31%
Europe	8.91%
MEA	0.54%
	100%

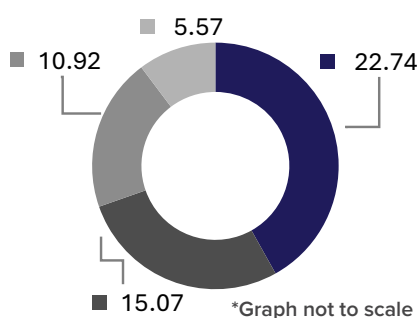
11.4 Consolidated Revenue by Client Concentration

The breakdown of R Systems' consolidated revenue based on client concentration for the year ended December 31, 2025, and 2024 is as follows:



*Graph not to scale

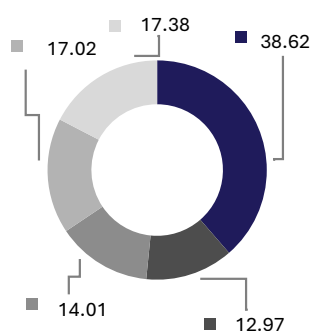
Revenue from Top 10 Clients	Year ended December 31, 2025
Top 10 Clients	24.83%
Top 5 Clients	17.17%
Top 3 Clients	13.12%
Largest Client	6.20%



*Graph not to scale

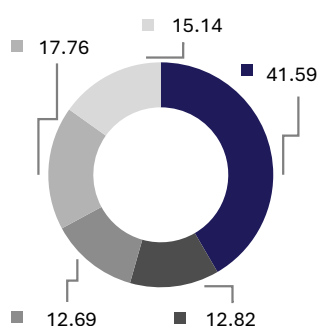
Revenue from Top 10 Clients	Year ended December 31, 2024
Top 10 Clients	22.74%
Top 5 Clients	15.07%
Top 3 Clients	10.92%
Largest Client	5.57%

1.1.5 Consolidated Revenue by Customer industry type



*Graph not to scale

Customer Industry Type	Year ended December 31, 2025
Tech, Internet, Platforms & Services	38.62%
Health	12.97%
Manufacturing & Logistics (M&L)	14.01%
Telecom, Media & Entertainment (TME)	17.02%
Banking, Finance & Insurance (BFSI)	17.38%



*Graph not to scale

Customer Industry Type	Year ended December 31, 2024
Tech, Internet, Platforms & Services	41.59%
Health	12.82%
Manufacturing & Logistics (M&L)	12.69%
Telecom, Media & Entertainment (TME)	17.76%
Banking, Finance & Insurance (BFSI)	15.14%

1.2 Other Income

(Rs. in million)

Particulars	Consolidated		Standalone	
	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2025	Year ended December 31, 2024
Interest income	44.78	37.20	31.60	19.14
Dividend From subsidiary companies	-	-	555.25	401.73
Rental income from investment property	9.00	7.86	9.00	7.86
Rental income from subsidiary companies	-	-	4.54	-
Reversal of provision for doubtful debts (net)	-	-	-	6.75
Liability no longer required written back	9.24	21.34	7.97	15.94
Profit on sale of property, plant and equipment (net)	433.88*	-	434.31*	0.43
Miscellaneous income	39.22	16.74	33.05	9.90
Total other income	536.12	83.14	1,075.72	461.75

*Profit on sale of property, plant and equipment was mainly on account of Profit from sale of land, building and certain assets located at Company Noida Office.

2. Expenditures

2.1 Personnel Expenses

Personnel expenses primarily consist of salaries, wages, bonus, Provision for compensated absences, gratuity benefits, contribution towards provident and other funds and staff welfare expenses.

2.1.1 Based on Consolidated Financial Statement:

(Rs. in million)

Particulars	Year ended December 31, 2025	% of Total Income	Year ended December 31, 2024	% of Total Income	Change %
Salaries, wages and bonus	11,659.18	57.95	10,731.57	61.32	8.64
Gratuity expenses	86.00	0.43	75.62	0.43	13.73
Contribution to provident and other funds	573.67	2.85	521.09	2.98	10.09
Staff welfare expenses	301.90	1.50	284.05	1.62	6.28
Employee share based payment expense	251.94	1.25	298.86	1.71	(15.70)
Total	12,872.69	63.99	11,911.19	68.06	8.07

Annexure D to the Board's Report

2.1.2 Based on Standalone Financial Statement:

(Rs. in million)

Particulars	Year ended December 31, 2025	% of Total Income	Year ended December 31, 2024	% of Total Income	Change %
Salaries, wages and bonus	6,271.78	51.90	5,510.84	57.55	13.81
Gratuity expenses	66.30	0.55	61.48	0.64	7.84
Contribution to provident and other funds	246.41	2.04	212.85	2.22	15.77
Staff welfare expenses	139.88	1.16	116.15	1.21	20.43
Employee share based payment expense	217.30	1.80	251.21	2.62	(13.50)
Total	6,941.67	57.45	6,152.53	64.25	12.83

2.2 Finance costs (Interest expenses)

(Rs. in million)

Particulars	Consolidated		Standalone	
	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2025	Year ended December 31, 2024
On borrowings	75.63	22.95	75.63	22.95
On lease liabilities	66.02	60.67	60.46	54.63
On income tax	0.09	0.33	-	0.03
Total	141.74	83.95	136.09	77.61

2.3 Depreciation and Amortisation Expense

(Rs. in million)

Particulars	Consolidated		Standalone	
	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2025	Year ended December 31, 2024
Depreciation of property, plant and equipment	222.24	258.56	143.47	178.08
Depreciation of investment property	1.48	1.49	1.48	1.49
Depreciation on right-of-use assets	152.76	135.98	67.09	43.96
Amortisation of intangible assets	287.50	257.70	10.83	3.38
Total Depreciation and Amortisation	663.98	653.73	222.87	226.91
% of Total income	3.30	3.74	1.84	2.37

2.4 Operational and other expenses

Operational and other expenses include power and fuel, expenses on travelling and conveyance, software subscription charges, non-capitalised lease rent, commission, communication, legal and professional expenses including sub-contractors costs, cost of third party items, audit fees, Provision for doubtful debts (net), Foreign exchange fluctuation loss (net), advance written off, contributions towards corporate social responsibility and other miscellaneous items.

2.4.1 Based on Consolidated Financial Statement:

(Rs. in million)

Particulars	Year ended December 31, 2025	% of Total Income	Year ended December 31, 2024	% of Total Income	Change %
Power and fuel	41.70	0.21	58.90	0.34	(29.20)
Rent - premises	73.71	0.37	57.00	0.33	29.32
Software subscription charges	309.79	1.54	250.00	1.43	23.92
Repair and maintenance	98.65	0.49	72.41	0.41	36.24
Commission	3.09	0.02	3.69	0.02	(16.26)
Travelling and conveyance	331.24	1.65	273.78	1.56	20.99
Communication costs	115.56	0.57	98.24	0.56	17.63
Legal and professional fees	1,835.25	9.12	1,394.78	7.97	31.58
Cost of third party items	323.65	1.61	369.00	2.11	(12.29)
Foreign exchange fluctuation (net)	34.84	0.17	10.86	0.06	100.00
Provision for doubtful debts (net)	101.27	0.50	7.10	0.04	1,326.34
Provision for doubtful advances (net)	1.72	0.01	10.73	0.06	100.00
Loss on sale / discarding of property, plant and equipment (net)	-	-	0.09	0.00	(100.00)
Loss on cancellation of leases (net)	-	-	0.82	0.00	(100.00)
Miscellaneous expenses (including Corporate social responsibility expenses)	371.76	1.85	329.12	1.88	12.96
Total	3,642.23	18.10	2,936.52	16.78	24.03

2.4.2 Based on Standalone Financial Statement:

(Rs. in million)

Particulars	Year ended December 31, 2025	% of Total Income	Year ended December 31, 2024	% of Total Income	Change %
Power and fuel	20.70	0.17	35.74	0.37	(42.08)
Rent - premises	16.09	0.13	22.08	0.23	(27.13)
Software subscription charges	232.42	1.92	193.29	2.02	20.24
Repair and maintenance	68.29	0.57	54.51	0.57	25.28
Commission	3.09	0.03	3.69	0.04	(16.26)
Travelling and conveyance	223.63	1.85	170.32	1.78	31.30
Communication costs	77.00	0.64	63.77	0.67	20.75
Legal and professional fees	818.44	6.77	462.69	4.83	76.89
Auditors' remuneration	7.04	0.06	7.72	0.08	(8.81)
Foreign exchange fluctuation (net)	15.80	0.13	10.10	0.11	56.44
Provision for doubtful debts	49.79	0.41	-	-	100.00
Miscellaneous expenses (including Corporate Social Responsibility)	271.34	2.25	208.26	2.17	30.29
Total	1,803.63	14.93	1,232.17	12.87	46.38

Annexure D to the Board's Report

2.5 Expectational items

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), which consolidate multiple existing labour laws into a unified framework governing employment and post-employment benefits.

The Group and Company has assessed the financial implications of these changes and, pursuant to such assessment, recognised an incremental obligation of Rs. 245.83 million and 242.61 million, respectively, on account of increase in employee benefit liabilities arising from past service. Considering the impact arising from enactment of the new legislation and its non-recurring nature, the said amount has been presented under Exceptional Items.

2.6 Tax expense

Tax expense comprises current tax and deferred tax.

(Rs. in million)

Particulars	Consolidated		Standalone	
	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2025	Year ended December 31, 2024
Profit Before Tax	2,551.71	1,915.02	2,736.90	1,886.93
Current tax	763.96	678.38	591.14	457.38
Deferred tax credit	(74.21)	(75.18)	(82.95)	(56.00)
Total Tax Expense	689.75	603.20	508.19	401.38
Effective Tax Rate (%)	27.03	31.50	18.57	21.27

Effective Tax Rate has decreased due to adoption of new tax regime in India, taxation of long term capital gain at lower rate and true up of previous periods tax provisions.

Refer Note 28 of the consolidated financial statements.

J. Details of significant changes i.e. change of 25% or more as compared to the immediately previous financial year, in key financial ratios, along with detailed explanations therefore, including:

Ratio	Consolidated			Standalone		
	Year ended December 31, 2025	Year ended December 31, 2024	Variance	Year ended December 31, 2025	Year ended December 31, 2024	Variance
Debtors Turnover (DSO) (in days)	62	53	16.23%	50	43	17.30%
Inventory Turnover	NA	NA	NA	NA	NA	NA
Interest Coverage	16.95	22.82	-25.72% ¹	13.21	19.36	-31.77% ¹
Current Ratio	1.90	2.24	14.99%	1.68	1.75	-4.00%
Debt Equity Ratio	0.52	0.12	343.24% ¹	0.56	0.12	351.27% ¹
Operating Profit Margin	12.27%	11.00%	11.55%	16.33%	16.49%	-0.97%
Net Profit Margin	9.51%	7.53%	26.29% ²	20.25%	16.30%	24.23%

1. Due to increase in total debt during the year.

2. Due to increase in operational profits.

Notes:

- Debtors Turnover (DSO) = Average Trade Receivables / Revenue from operations * 360
- Operating Profit = Profit before tax (PBT) add: Finance cost, less: other income
- Interest Coverage = Operating profit / Finance cost
- Current Ratio = Current Assets / Current Liability
- Debt Equity Ratio = Total Debt (borrowings + lease liabilities) / Shareholders' equity
- Operating Profit Margin = Operating profit / Revenue
- Net Profit Margin = Profit after tax (PAT) / Revenue

Return on Net Worth

Ratio	Consolidated			Standalone		
	Year ended December 31, 2025	Year ended December 31, 2024	Variance	Year ended December 31, 2025	Year ended December 31, 2024	Variance
Return on Net worth	26.30%	21.24%	23.87%	37.04%	29.83%	24.16%

Return on net worth is computed as Profit for the year / Average shareholders' equity.

Net profit increased from ₹1,311.82 mn to ₹1,861.96 mn on a consolidated basis and from ₹1,485.55 mn to ₹ 2,228.71 mn on a standalone basis. Average shareholders' equity has increased in line with the net profit increase adjusted for dividends paid during the year.

On behalf of the Board For R Systems International Limited

Nitesh Bansal

(Managing Director & Chief Executive Officer)

DIN: 10170738

Place: Chişinău, Moldova

Date: May 27, 2026

Ruchica Gupta

(Chairperson & Non-Executive Independent Director)

DIN: 06912329

Place: New Delhi

Date: May 27, 2026

Annexure E to the Board's Report

Business Responsibility & Sustainability Report

Section A: General Disclosures

I. Details of the entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1993PLC053579
2.	Name of the Listed Entity	R Systems International Limited ("R Systems"/"Company")
3.	Year of incorporation	1993
4.	Registered office address	GF-1-A, 6, Devika Tower, Nehru Place, Delhi – 110019
5.	Corporate address	3 rd Floor, Tower No. 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector TechZone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh - 201306, India
6.	E-mail	investors@rsystems.com
7.	Telephone	+91 (120) 4303500
8.	Website	www.rsystems.com/
9.	Financial year for which reporting is being done	January 01, 2025 – December 31, 2025
10.	Name of the Stock Exchange(s) where shares are listed	1.National Stock Exchange of India Limited (NSE) 2.BSE Limited (BSE)
11.	Paid-up Capital	INR 118,403,582 ^{Note1 & 2}
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Nand Sardana, Chief Financial Officer Telephone: +91 (120) 4303500 E-mail id: rsil@rsystems.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):	The disclosures under this report have been made on standalone basis.
14.	Name of assurance provider	NA
15.	Type of assurance Obtained	NA

Note:

- Subsequent to year ended on December 31, 2025 and up to the date of this report, the Company has allotted 82,893 equity shares to the identified employees of the Company and/or Group Companies under the R Systems International Limited Management Incentive Plan 2023.
- Further, the Hon'ble National Company Law Tribunal, New Delhi Bench ("NCLT"), vide its order dated April 16, 2026, approved the Composite Scheme of Amalgamation of Velotio Technologies Private Limited and Scaleworx Technologies Private Limited with R Systems International Limited under Sections 230 to 232 of the Companies Act, 2013 (the "Scheme"). In accordance with the share swap ratio specified in the Scheme, the Board of Directors of the Company approved the allotment of 51,60,833 optionally convertible redeemable preference shares to the existing optionally convertible redeemable preference shareholders of Velotio Technologies Private Limited, on the terms and conditions set out in the Scheme.

Consequently, as on date of this report, issued, subscribed and paid up capital of the Company is INR 118,486,475 equity shares and 5,160,833 optionally convertible redeemable preference shares.

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 of the entity
1	Computer programming, consultancy and other related services	Computer programming, consultancy and related activities (IT consultancy, information and business process outsourcing services, etc.)	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	Information technology services and products	620	81.05%
2	Business process outsourcing services	620	18.95%

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	NA	6	6
International	NA	2	2

Note: As on December 31, 2025, R Systems International Limited maintains twenty-two development and service centres to serve customers in Americas, Europe, Middle East, APAC and India through its subsidiaries.

19. Markets served by the entity:

a. Number of locations

Locations	Value (in numbers)
National (No. of States and Union Territories)	8
International (No. of Countries)	17*

*Excluding India and on standalone basis

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

The contribution of exports as a percentage of the total turnover is 95.11%.

c. A brief on types of customers

Our product-focused approach and strong engineering expertise allow us to work closely with leading participants in the technology ecosystem, including independent software vendors (ISVs), SaaS companies, and product Companies across the Tech, Internet, Platforms & Services (TIPS), Health, Manufacturing & Logistics (M&L), Telecom, Media & Entertainment (TME) and Banking, Finance & Insurance (BFSI) verticals.

For additional details about our customer base, kindly visit our website at: www.rsystems.com/

Annexure E to the Board's Report

IV. Employees

20. Details as at the end of Financial Year:

1. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees*						
1.	Permanent (D)	3,278	2,588	78.95%	690	21.05%
2.	Other than Permanent (E)	73**	63	86.30%	9	12.33%
3.	Total employees (D + E)	3,351**	2,651	79.11%	699	20.86%
Workers						
4.	Permanent (F)	Not Applicable***				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

*Consists of full-time employees, contractors and consultants.

** Gender disclosure is voluntary, based on self-declaration by employees. One of the Other Than Permanent category employee choose not to disclose the gender.

***The Company does not categorize its workforce as Workers.

2. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
Differently Abled Employees						
1.	Permanent(D)	4	3	75.00%	1	25.00%
2.	Other than Permanent(E)	0	0	0.00%	0	0.00%
3.	Total Employees(D+E)	4	3	75.00%	1	25.00%
Differently Abled Workers						
4.	Permanent(F)	Not Applicable				
5.	Other than Permanent(G)					
6.	Total workers (F+G)					

21. Participation/Inclusion/Representation of women

	Total (A)	No. (B)	No. and percentage of Females
			% (B/A)
Board of Directors*	7	1	14.29%
Key Managerial Personnel**	3	0	0.00%

*As on December 31, 2025

**Includes Managing Director & Chief Executive Officer who is also part of Board of Directors.

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

	CY 2025			CY 2024			CY 2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees*	20.34%	21.01%	20.48%	15.15%	17.23%	15.55%	12.71%	17.90%	13.70%
Permanent Workers	Not Applicable								

*This data is voluntary attrition %.

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

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

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	BCP Asia II Topco II Pte. Ltd., Singapore	Holding	51.88%	No, however, subsidiary companies share our vision, ethics and values and are required to pursue responsible practices as per the laws applicable to them.
2	R Systems, Inc., USA	Subsidiary	100%	
3	RSYS Technologies Ltd., Canada	Subsidiary	100%	
4	R Systems Technologies Limited, USA	Subsidiary	100%	
5	R Systems Computaris International Limited, UK	Subsidiary	100%	
6	R Systems Computaris Europe S.R.L., Romania ¹	Subsidiary	100%	
7	R Systems Computaris Poland Sp Z. O.O., Poland ¹	Subsidiary	100%	
8	R Systems Computaris S.R.L., Moldova ¹	Subsidiary	100%	
9	R Systems Computaris Malaysia Sdn. Bhd., Malaysia ¹	Subsidiary	100%	
10	R Systems Computaris Philippines Pte. Ltd. Inc., Philippines ¹	Subsidiary	100%	
11	R Systems Computaris Suisse Sarl, Switzerland ¹	Subsidiary	100%	
12	R Systems Consulting Services Limited, Singapore ²	Subsidiary	99.75%	
13	R Systems Consulting Services (M) Sdn. Bhd., Malaysia ³	Subsidiary	99.75%	
14	R Systems Consulting Services (Thailand) Co., Ltd., Thailand ³	Subsidiary	99.75%	
15	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China ³	Subsidiary	99.75%	
16	R Systems Consulting Services (Hong Kong) Ltd., Hong Kong ³	Subsidiary	99.75%	
17	R Systems Consulting Services Kabushiki Kaisha, Japan ³	Subsidiary	99.75%	
18	R Systems Consulting Services Company Limited, Vietnam ³	Subsidiary	99.75%	
19	R Systems (Singapore) Pte Limited, Singapore	Subsidiary	100%	
20	R Systems IBIZCS Pte. Ltd., Singapore ⁴	Subsidiary	100%	
21	R Systems IBIZ Sdn. Bhd., Malaysia ⁵	Subsidiary	100%	
22	PT R Systems IBIZCS International, Indonesia ⁵	Subsidiary	100%	
23	IBIZ Consulting (Thailand) Co., Ltd., Thailand ⁵	Subsidiary	100%	
24	IBIZ Consulting Service Limited, Hong Kong ⁵	Subsidiary	100%	
25	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China ⁶	Subsidiary	100%	
26	Velotio Technologies Private Limited, India ⁷	Subsidiary	100% Equity shares	
27	Scaleworx Technologies Private Limited, India ^{7&8}	Subsidiary	100% Equity shares	
28	RSIL Mexico, S. de R.L. de C.V., United Mexican States	Subsidiary	100%	
29	Novigo Solutions Private Limited, India ⁹	Subsidiary	100% Equity shares	
30	Novigo Solutions Inc., USA ¹⁰	Subsidiary	100% Equity shares	
31	Novigo Solutions Limited, UK ¹⁰	Subsidiary	100% Equity shares	
32	Novigo for Information Technology, Kingdom of Saudi Arabia ¹⁰	Subsidiary	100% Equity shares	
33	Novigo Solutions B.V., Netherlands ¹⁰	Subsidiary	100% Equity shares	

Annexure E to the Board's Report

1. Wholly-owned subsidiary of R Systems Computaris International Limited, UK
2. The shareholding held by the Company and R Systems (Singapore) Pte Limited is 69.37% and 30.38%, respectively.
3. Wholly-owned subsidiary of R Systems Consulting Services Limited, Singapore
4. Wholly-owned subsidiary of R Systems (Singapore) Pte Limited, Singapore
5. Wholly-owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore
6. Wholly-owned subsidiary of IBIZ Consulting Services Limited - Hong Kong
7. Subsequent to the year ended December 31, 2025, Velotio Technologies Private Limited and Scaleworx Technologies Private Limited have been amalgamated into R Systems International Limited pursuant to the National Company Law Tribunal order dated April 16, 2026
8. Wholly-owned subsidiary of Velotio Technologies Private Limited
9. Subsidiary w.e.f. November 13, 2025
10. Wholly-owned subsidiary of Novigo Solutions Private Limited

VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): **Yes**
- ii. Turnover: INR 11,008.05 million
- iii. Net worth: INR 6,897.86 million

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:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	CY 2025			CY 2024		
		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	Yes The Company maintains close engagement with on-ground project conditions in collaboration with its implementation partners. This approach enables effective coordination among the Company, implementing partners, and community beneficiaries, while also creating sufficient avenues for receiving, addressing, and resolving grievances raised by community stakeholders	-	-	-	-	-	-
Investors (other than shareholders)	Yes Investors and shareholders may submit their grievances by sending communication to the specified contact email: investors@rsystems.com	-	-	-	-	-	-
Shareholders	Additionally, shareholders may liaise with the Registrar and Transfer Agent (RTA) for matters relating to share transfers, share-related correspondence, dividend queries, and other related services by sending email at investor.helpdesk@in.mpms.mufg.com or through the	2	-	Complaints resolved within stipulated time	6	-	Complaints resolved within stipulated time

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	CY 2025			CY 2024		
		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
	following webpage: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html Shareholders may also enroll on 'SWAYAM,' the RTA's online Investor Self-Service Portal, which enables security holders to conveniently access information through a digital dashboard and avail a range of services online at https://swayam.in.mpms.mufg.com/						
Employees and workers	Yes. The Company has implemented a structured framework to manage and resolve employee-related complaints and concerns in a timely and consistent manner. Employees may submit suggestions, grievances, or complaints by writing to HRD@rsystems.com . The Company has also constituted an Internal Complaints Committee (ICC) to address and resolve complaints of sexual harassment involving women employees. Employees may reach the ICC at ICC@rsystems.com to report such matters. Matters that fall within the scope of the Whistle Blower Policy are handled in accordance with the policy. This mechanism enables concerns relating to unlawful or unethical conduct to be escalated directly to the Chairman of the Audit Committee at Chairman.AuditCommittee@rsystems.com . Subsequent to the year, the Company strengthened its Grievance Procedure to enhance the existing grievance-handling framework. The revised procedure sets out a clear, step-by-step process—from the lodging of a grievance through escalation and closure—thereby promoting consistency, transparency, and timely resolution. A Grievance Committee has been	4	4	-	-	-	-

Annexure E to the Board's Report

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	CY 2025			CY 2024		
		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
	constituted to review formal grievances thoroughly at the appropriate level.						
Customers	Yes Customers can raise grievances through various channels, including their account managers and client engagement managers. Escalation procedures are defined within individual client agreements, and corrective actions are implemented in accordance with the Company's quality policies.	-	-	-	-	-	-
Value Chain Partners	Yes Grievances or concerns raised by suppliers are handled at the appropriate level and resolved on a case-by-case basis	-	-	-	-	-	-

Policies formulated in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are published and accessible on the Company's official website <https://www.rsystems.com/investors-info/corporate-governance/policies/> and all remaining policies are made available on the Company's internal intranet portal.

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 along with its financial implications, as per the following format.

S. No.	Material 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)
1	Cyber Security, Data Privacy	Risk	Exposure to cybersecurity risks—including cyber-attacks, unauthorized data access, third-party vulnerabilities, challenges related to data storage and retention, and weaknesses in cloud infrastructure—represents a significant threat to the Company potentially	Our cybersecurity program is further strengthened by globally recognized certifications, including ISO 27001:2022 as well as independent attestations/certifications such as SOC 2 Type II and HITRUST, demonstrating our commitment to maintaining high standards of information security and resilience. Deployment of robust security safeguards, including controlled access mechanisms, data encryption protocols, ongoing surveillance, and	Negative: Security incidents such as unauthorized data access and cyber intrusions may lead to substantial financial impact and adversely affect the Company's credibility and public image.

S. No.	Material 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)
			compromising sensitive information and regulatory compliance.	comprehensive workforce awareness programs. Conducting periodic internal risk evaluations to detect potential security gaps and initiate preventive and remedial actions in advance. We have framed data protection policies and appointed a dedicated Data Protection Officer. The Company promotes data security awareness among employees.	
2	Climate Change & Resource Management	Risk	Climate-related challenges present real risks to our global operations. Extreme weather events can disrupt supply chains, affect employee productivity, and weaken overall operational resilience. As a global technology company with teams and facilities across multiple regions, we understand the need to take proactive and responsible environmental actions to reduce these risks and support long-term business continuity.	GHG Emissions We encourage flexible and remote working arrangements to reduce emissions associated with employee travel. These practices not only help lower our carbon footprint but also enhance productivity, work-life balance, and overall employee satisfaction. Energy Management We are committed to improving energy efficiency across our operations. During the year, we consolidated multiple server rooms into a centralized data centre at our NOIDA Office, enabling the removal of split air-conditioning units from legacy server rooms. We also installed energy-efficient Schneider in-row PACs for cooling and implemented sensor-operated lighting in the data centre. These measures help reduce energy consumption and minimize our environmental impact.	Negative impact: Rising operational expenditure due to climate adaptation measures.
3	Employee Management	Opportunity & Risk	Opportunity In the competitive IT and digital product engineering space, prioritizing employee well-being, diversity, and continuous skill development create a strong long-term advantage. These efforts help attract and retain top talent, strengthen organizational capability, and	Talent Development We invest in structured learning and development programs to continuously enhance employee skills and capabilities. Alongside this, we run targeted initiatives that support mental health and overall well-being, helping employees grow while maintaining a healthy work-life balance. Diversity Initiatives We are committed to building an inclusive workplace by	Negative Impact Insufficient investment in workforce development and ineffective talent management can lead to lower employee engagement, higher attrition, and increased recruitment costs. Over time, these challenges may reduce operational efficiency and negatively impact financial performance. Positive Impact Higher levels of employee satisfaction drive greater

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S. No.	Material 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)
			support sustainable growth as the Company scales. Risk High competitive intensity in the digital engineering market demands sustained investment in specialised talent to meet evolving client and market expectations. Accelerating adoption of emerging technologies, particularly AI, has intensified competition for scarce digital skills, exerting upward pressure on compensation and increasing exposure to talent attrition from headhunting and competitive poaching.	implementing frameworks that promote gender diversity and provide equal career opportunities across all our global locations. Workplace Safety We prioritize employee safety through preventive practices, regular safety training, and well-established emergency preparedness and response systems, ensuring a secure and resilient work environment.	productivity, foster innovation, and enhance client experiences. Together, these outcomes contribute to sustained business growth and long-term success.
4	Customer Centricity/ Satisfaction	Opportunity	R Systems is dedicated to expanding its reach by strategically managing its flagship multi-service accounts. The focus is on efficient client management and revenue generation through business transformation, enhancing service technology offerings to meet evolving customer demands. Addressing customer feedback through dedicated channels and timely resolutions boosts customer satisfaction and enhances the Company's brand value.	-	Strong customer experience and long-term client loyalty contribute significantly to improving the Company's financial performance. Elevated levels of customer satisfaction also create avenues for additional business opportunities and support sustained Company's growth.

S. No.	Material 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)
5	Corporate Governance & Business Ethics	Opportunity & Risk	Opportunity A well-established governance structure fosters confidence among stakeholders and supports consistent operational reliability. Our comprehensive approach comprising clear policies, strong ethical standards, and periodic internal and external reviews contributes to strengthening Company's credibility and reputation. Risk Weak compliance frameworks present considerable challenges for our Company, including exposure to regulatory sanctions, erosion of brand credibility, and interruptions to business continuity, which may adversely affect overall performance and stakeholder confidence.	Ongoing tracking of regulatory developments coupled with prompt updates to ensure continued compliance. Conducting regular internal audit and external audits. Implementation of organization wide training programs to ensure ongoing awareness and adherence to compliance requirements.	Negative Impact Deficiencies in governance frameworks can expose the Company to regulatory sanctions, harm the public credibility, and disrupt business operations. Positive Impact Effective governance structures strengthen investor assurance, deepen client confidence, and reinforce the Company's competitive positioning.
6	Community Welfare	Opportunity	As a global technology company, our efforts to support community well-being create meaningful opportunities to make a Positive social impact, strengthen relationships with stakeholders, and contribute to long-term, sustainable business growth.	-	Positive Impact Strengthened brand image, deeper stakeholder trust and relations, heightened employee involvement, and long-term, responsible business expansion.
7	Human Rights	Opportunity	At our Company, reinforcing respect for human rights across our worldwide operations plays a	-	Robust human rights practices contribute to strengthening the Company's brand image, boosting workforce involvement, enhancing the ability to attract skilled talent,

Annexure E to the Board's Report

S. No.	Material 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)
8	Technological Obsolescence	Risk and Opportunity	vital role in strengthening our Company's values and public standing. Our commitment extends to fostering an inclusive workplace by preventing bias and harassment, ensuring equitable compensation, and strictly complying with POSH and other human right related regulations. Risk Rapid technological change and adoption of Artificial Intelligence pose risks of technological obsolescence, cyber security and data privacy breaches, intellectual property challenges, biased or inaccurate AI outputs, workforce transition risks, and potential non-compliance with evolving regulations. Opportunity Advancements in AI and digital technologies create opportunities for innovation, operational efficiency, scalable solutions, enhanced customer experience, and long-term competitiveness. R Systems leverages these technologies through continuous capability building, responsible AI practices, and strategic technology partnerships.	We continuously strengthens our capabilities in emerging technologies and invests in building a future-ready workforce through focused recruitment, ongoing training, and structured upskilling of domain and market specialists. The Company also actively evaluates and expands its ecosystem of technology alliances and partnerships to enhance resilience, scalability, and long-term value creation. In this context, the Company have launched OptimaAI, R Systems' internal Generative AI workbench, and EXIQO, AI Studio designed to enable enterprises scale production-grade agentic AI across business and technology functions. Collectively, these measures help mitigate technology-related risks while enabling innovation, operational efficiency, and sustainable growth.	Negative Impact Rapid technological change and increased adoption of AI require continued upfront investments in advanced technology infrastructure, cyber security, data privacy safeguards, workforce upskilling, and regulatory compliance. These investments may lead to short-term increases in operating and capital expenditure, potential margin pressure for short term, and higher compliance-related costs. Additionally, risks arising from technology obsolescence, inaccurate or biased AI outputs, or regulatory non-compliance could result in financial exposure, remediation costs, or reputational impact if not effectively managed. Positive Impact Advancements in AI and digital technologies present significant long-term financial upside through improved operational efficiency, productivity gains, scalable service offerings, faster go-to-market, and enhanced customer experience. Platforms such as OptimaAI and EXIQO enable the Company to deliver differentiated, high-value AI-led solutions, supporting revenue growth, improved margins, and stronger client retention.

Section B: Management And Process Disclosures

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	The Company's policies, as required under the applicable Act and Listing Regulations, are accessible on its official website. https://www.rsystems.com/investors-info/corporate-governance/policies/ All other policies are present on company's intranet.								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusts) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company's policies have been formulated and executed in alignment with the National Guidelines on Responsible Business Conduct, the Companies Act 2013, and applicable SEBI requirements. Our data protection and cybersecurity frameworks adhere to globally accepted standards, including ISO 27001:2022. Additionally, the quality management system follows the ISO 9001 standard.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Sustainability is a strategic priority for the Company and is integral to our long-term growth, resilience, and responsible business practices. The Company is in the process of defining clear sustainability goals and targets aligned with environmental, social, and governance (ESG) principles, with a focus on inclusive growth, responsible resource management, and ethical conduct.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We are currently in the process of developing our sustainability goals and targets.								

Annexure E to the Board's Report

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements <i>(listed entity has flexibility regarding the placement of this disclosure)</i> :	Dear Stakeholders, At R Systems, responsible business conduct is inseparable from the company's operating discipline. In 2025, we moved a large share of our engineering work onto AI and agentic systems, and the judgment about where those systems can run on their own and where human oversight must remain in control became a routine part of our delivery. Our collaboration with IIT Delhi, which began in 2023, continued through a Center of Excellence (CoE) working on AI-led innovation and sustainability. Research during the year extended into energy-efficient computing and climate informatics, including early work on a deep learning framework for predicting rainfall extremes over India. For a business whose services depend on the compute intensity of AI, research into reducing that intensity is closely tied to our environmental responsibility. We met our corporate social responsibility obligation in full during the year, deploying Rs. 3.58 crore across programs in India, Europe, and Asia. A new partnership with the Akshaya Patra Foundation supported more than 106,000 mid-day meals for around 1,685 children in Delhi and Pune, and our environmental work included a Miyawaki urban forest in Delhi planted with 2,317 saplings across 48 native species. Each project was reviewed under the CSR Committee's governance framework. This report sets out where R Systems stands today, and the same standard of evidence we apply to our engineering work has guided the statements in these pages. Nitesh Bansal, Managing Director and Chief Executive Officer								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Nitesh Bansal, Managing Director & Chief Executive Officer (DIN:10170738)								
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, the Management Committee of the Board has been authorized to oversee the Company's Environmental, Social, and Governance (ESG) and sustainability initiatives.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee									Frequency(Annually/Half yearly/ Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies and procedures are reviewed periodically by the Board, Board Committees, or Functional Heads, as applicable.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all applicable legal and regulatory requirements across every jurisdiction in which it operates. Adherence to statutory obligations is subject to periodic review by the Board, its committees, and relevant functional heads, ensuring effective oversight and strong governance practices.																	
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		P 8		P9	
	The Company has not undertaken an independent evaluation of its policies through any external agency. However, all Company policies are routinely examined and updated by the respective functional heads, followed by a review from the Board or its committees, whenever required due to changes in the external environment or geopolitical conditions.																	

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)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Annexure E to the Board's Report

Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

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

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Annual code of conduct declaration. R Systems follows a structured orientation and training program for Independent Directors at regular intervals. The details of the familiarization programs are available on the Company's website at the following link: https://www.rsystems.com/familiarization-programme-conducted/	100
Key Managerial Personnel	3	Annual code of conduct declaration, POSH, information and security management.	100
Employees other than BoD and KMPs	90	Induction training, business ethics, workplace conduct, fraud, bribery & corruption, conflict of interest, POSH, information and security management, fire mock drill, mental wellbeing, health and safety, ESG and Ethics, Technical, domain, functional trainings, behavioural and soft skill training	100
Workers	Not Applicable		

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					
Category	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	1	District Magistrate's Office, Gautam Buddha Nagar	1,612,991	Direction for depositing INR. 1,612,991/- (including short fall in stamp duty of INR. 645,200/-, and penalty of INR. 645,200/-) w.r.t. shortfall in stamp duty on registration of the Change in Shareholding Deed dated November 09, 2023, with the Sub-Registrar, Gautam Buddha Nagar. The said shortfall and penalty had been duly paid by the Company.	No
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

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

Case Details	Name of the 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, R Systems maintains a robust anti-bribery and anti-corruption (ABAC) framework that applies uniformly to individuals across all roles and hierarchical levels. This detailed policy, which can be accessed through the Company's website, outlines clear expectations regarding ethical conduct, Company's values, and procedural guidelines, reinforcing a zero-tolerance approach toward bribery.

The policy is applicable to the Company as well as its subsidiary entities. In alignment with applicable local regulations, it enables stakeholders to identify and report any suspected violations to the Chairperson of the Audit Committee at the designated email address: chairman.auditcommittee@rsystems.com

Our Company remains firmly committed to upholding the highest standards of integrity and transparency across all business activities. The policy can be accessed on the Company's website at: <https://www.rsystems.com/investors-info/corporate-governance/policies/>.

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

	CY 2025	CY 2024
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	CY 2025		CY 2024	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

	CY 2025	CY 2024
Number of days of accounts payables*	27	27

* Computed as per guidance prescribed in Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

Annexure E to the Board's Report

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	CY 2025	CY 2024
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	-	-
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	a. Purchases (Purchases with related parties/Total Purchases)	31.36%	15.62%
	b. Sales (Sales related parties/Total Sales)	16.25%	10.25%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	-	-
	d. Investments (Investments in related parties/Total Investments made)	100%	100%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	% Age of value chain partners covered (by value of business done with such partners) under the awareness programmes
We expect our suppliers to comply with our Supplier Code of Conduct that sets out requirements related to ethical business behaviour, compliance with labour regulations, and Environmental, Health and Safety (EHS) standards. Currently, the Company does not conduct formal training programs for its vendors and suppliers. However, it engages with vendor partners as part of routine business interactions to communicate its expectations on governance and execution.		

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Board of Directors and senior leadership team of the Company comply with the "Code of Conduct for Directors and Senior Management of the Company," which clearly sets out provisions related to managing conflicts of interest.

Additionally, the Company has a dedicated Conflict of Interest Policy that applies to all Board members, employees, contractors, and consultants across the Company and its group entities in every geography.

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.

	CY 2025	CY 2024	Details of improvements in Environmental and social impacts
R&D	Nil	Nil	-
Capex	Nil	Nil	-

R Systems supports its clients in digitizing their entire value chains and integrating intelligent automation, while simultaneously advancing sustainability through digital transformation. The Company does not currently measure or disclose the proportion of its R&D or capital investments directed toward specific technologies aimed at enhancing environmental or social outcomes.

During the year 2025, the Company has completed consolidation of Data Centres at Greater Noida Facility and installation of energy efficient equipment.

R Systems has set up a Centre of Excellence (CoE) at the prestigious Indian Institute of Technology Delhi (IIT-Delhi) on Applied AI for Sustainable Systems.

The Company established a Global Innovation Center in Noida to drive applied research, innovation and solution development across key technology domains. This initiative enables collaboration among internal teams, clients and ecosystem partners to accelerate development and deployment of technology-led solutions.

The Company further advanced its AI-led strategy through continued enhancement of its proprietary frameworks and platforms, including OptimaAI, to support scalable and efficient deployment of AI solutions across industries.

In addition, the Company developed ESTAITEX, an AI-enabled platform for business intelligence, data integration and database modernisation, aimed at enhancing analytics capabilities and supporting data-driven decision-making.

These initiative underscores the strategic priority of R Systems to promote innovation, enhance new-age skills, and develop deep tech.

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

R Systems is committed to promoting the judicious and responsible use of resources across its operations. In line with this commitment, the Company has established a Supplier Code of Conduct, which serves as a guiding framework for suppliers engaging with R Systems. The Code encourages suppliers to implement robust environmental, governance, and social practices within their operations. Considering the nature of R Systems' business in IT and IT enabled services, resource consumption is carefully aligned with operational requirements. Accordingly, suppliers are expected to comply with all applicable environmental regulations and conduct their business in a sustainable and responsible manner. In the financial year under review, 28.38% of inputs are sourced from MSMEs/small producers.

If yes, what percentage of inputs were sourced sustainably?

We are in the process of developing tracking and monitoring methodology to track percentage of inputs sustainably sourced.

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.

Not applicable due to the nature of the Company's business. The Company remains mindful of applicable waste management requirements, including e waste and other waste categories.

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.

EPR is not applicable to the Company's activities.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not Applicable due to the nature of our business					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/ Service	Description of the risk/concern	Action Taken
Not Applicable due to the nature of our business		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	CY 2025	CY 2024
Not Applicable due to the nature of our business		

Annexure E to the Board's Report

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	CY 2025			CY 2024		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics including packaging)	Not Applicable due to the nature of our business					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable due to the nature of our business	

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:

Details of measures for the Wellbeing of Employees											
Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2,588	2,588	100%	2,588	100%	NA	NA	19 [#]	0.73%	2,569	99.27%
Female	690	690	100%	690	100%	690	100%	-	-	684	99.13%
Total	3,278	3,278	100%	3,278	100%	690	100% [@]	19	100% [@]	3,253	99.24%
Other than Permanent Employees											
Male	63	Other than permanent employees directly hired by the Company on a contractual basis are provided with health insurance, accident insurance, maternity and day care benefits, which are optional and may be availed at the discretion of other than permanent employee. However, for Individuals hired through third-party contractors, these benefits are administered by their direct employers.									
Female	9										
Total	73*										

*Gender disclosure is voluntary, based on self-declaration by employees. One of the Other Than Permanent category employee chose not to disclose the gender.

[#] Employed at USA Branch.

[@] Benefits are being provided to all eligible employees, covering 100% of the workforce based on eligibility.

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent Workers											
Male	Not Applicable										
Female											
Total											

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

	CY 2025	CY 2024
Cost incurred on well-being measures as a % of total revenue of the company	1.04%	1.14 %

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	CY 2025			CY 2024		
Benefits	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/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 (Y/N/N.A.)
PF	100%	Not Applicable	Y	100 %	Not Applicable	Y
Gratuity	100%		Y	100 %		Y
ESI*	4.33%		Y	3.13%*		Y
NPS	7.04%		Y	5.50%		Y

Note: Data Specific to India

*100% eligible employees are being covered under the ESI scheme.

3. Accessibility of workplaces

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

Yes, the Company strives to provide an inclusive infrastructure that considers the diverse demographics and composition of its workforce. All of the Company's facilities are equipped with accessibility features such as wheelchair access, elevators, and ramps, in accordance with the Rights of Persons with Disabilities Act, 2016, to ensure ease of access for differently abled employees.

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.

R Systems is an equal opportunity employer committed to ensuring fair treatment for all individuals, without discrimination based on gender, caste, creed, colour, religion, disability, or sexual orientation. The Company has implemented an Equal Opportunity Policy to promote a respectful, secure, and inclusive workplace environment. In alignment with this policy, it provides appropriate accessibility measures for employees with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016. Further details can be accessed at <https://www.rsystems.com/corporate-governance/policies/>.



Annexure E to the Board's Report

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	Not Applicable	
Female	100%	65.71%		
Total	100%	65.71%		

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	
Permanent Employees	The Company encourages employees and other stakeholders to report any instances of improper or unethical activities that could adversely impact its business or reputation. To promote an inclusive and respectful workplace, the Company has implemented an Anti-Discrimination and Harassment Policy, which includes provisions for the protection of transgender individuals and persons living with HIV/AIDS. To address employee concerns, the Company has established a formal complaint and grievance redressal mechanism, through which concerns may be submitted via HRD@rsystems.com. Additionally, an Internal Complaints Committee (ICC) has been constituted to address complaints related to sexual harassment at the workplace. Such complaints may be submitted to the Head of HR or any ICC member, and the ICC can be contacted at ICC@rsystems.com. Furthermore, under the Whistle Blower Policy, employees are encouraged to report any illegal or unethical practices directly to the Chairperson of the Audit Committee at Chairman.AuditCommittee@rsystems.com, ensuring confidentiality and protection against retaliation.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

	CY 2025			CY 2024		
	Total employees/workers in Respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	The Company does not have any employee association(s) or Unions					
Male						
Female						
Total Permanent Workers						
Male						
Female						

The Company acknowledges and respects the right to freedom of association in accordance with applicable regional laws and regulations in the jurisdictions in which it operates. Employees may exercise this right through independent trade unions, Works Councils (WCs), or Collective Bargaining Agreements (CBAs), where applicable. Participation in such mechanisms is voluntary, allowing individuals the freedom to engage in dialogue and discussions that support constructive employee–management relations.

8. Details of training given to employees and workers:

Category	CY 2025					CY 2024				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	2,651	2,651	100%	2,651	100%	2,407	2,407	100%	2,407	100%
Female	699	699	100%	699	100%	583	583	100%	583	100%
Other*	1	1	100%	1	100%	-	-	-	-	-
Total	3,351	3,351	100%	3,351	100%	2,990	2,990	100%	2,990	100%
Workers										
Male	Not Applicable									
Female										
Total										

*Gender disclosure is voluntary, based on self-declaration by employees. One of the Other Than Permanent category employee chose not to disclose the gender.

9. Details of performance and career development reviews of employees and worker:

All the eligible permanent employees have received performance and career development reviews.

Category	CY 2025			CY 2024		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D/C)
Employees*						
Male	2,588	1,985	76.70%	2,357	1,794	76.11%
Female	690	493	71.45%	576	389	67.53%
Total	3,278	2,478	75.59%	2,933	2,183	74.43%
Workers						
Male	Not Applicable					
Female						
Total						

R Systems has standard performance and career development mechanism outlined in its Human Resource Policies which acts as a guiding document with respect to employee life cycle management and development. All the eligible permanent employees have received performance and career development reviews during the reporting period.

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?

R Systems is dedicated to fostering a strong safety culture and places high priority on employee well-being by tracking and reporting key safety performance indicators across the Company. It has implemented comprehensive systems and protocols to safeguard employees and physical assets, including the upkeep of essential utilities and routine checks of electrical and fire safety equipment. The administration team also conducts regular evaluations to ensure adherence to statutory requirements and compliance standards.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

R Systems assesses workplace hazards and risks associated with both routine and non-routine activities. Internal process owners are accountable for identifying safety risks and implementing appropriate control measures, and a mitigation strategy is developed to eliminate or minimize potential hazards.

Annexure E to the Board's Report

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

- R Systems has implemented a comprehensive system for reporting and addressing safety-related incidents, including accidents, near-miss events, and unsafe conditions. Employees have access to clearly defined reporting channels that encourage open communication and support timely corrective measures. We place strong emphasis on conducting detailed investigations into such incidents and implementing remedial actions to eliminate risks and prevent recurrence.
- To strengthen safety awareness among employees, it provides induction training along with continuous communication on safe practices. Multiple reporting options are available for raising health and safety concerns, such as an internal helpdesk and designated email IDs for the administration team, ensuring prompt resolution by the appropriate personnel.

d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

- R Systems places strong emphasis on the overall well-being of its employees, covering mental, ergonomic, and physical health, along with safety within the home environment. This commitment includes access to digital wellness platforms, hospital insurance, and occupational health services. Employees are also provided with non-occupational medical assistance and the ability to consult with medical professionals.
- There is a mechanism in place to support mental health through virtual counselling services and awareness events. Additionally, benefit programs such as Group Personal Accident Insurance, Mediclaim, and Group Term Life Insurance contribute to creating a supportive and health-focused workplace.

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

Safety Incident/Number	Category	CY 2025	CY 2024
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	Not applicable	Not applicable
Total recordable work-related injuries	Employees	-	-
	Workers	Not applicable	Not applicable
Number of fatalities	Employees	-	-
	Workers	Not applicable	Not applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	Not applicable	Not applicable

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

R Systems considers employee well being to be a key priority across its operations. The Company is committed to providing a safe, secure, and healthy work environment. A variety of initiatives have been implemented to uphold workplace health and safety, as the welfare of our people remains of utmost importance. Furthermore, the Company follows a systematic approach to maintaining a safe and healthy environment for all individuals on its premises, which includes the following measures:

- CCTV systems are installed with due consideration for employee privacy.
- Security screenings are conducted at all entry and exit points.
- Electrical systems undergo regular maintenance.
- Fire detection and suppression equipment is routinely inspected.
- Regular pest-control and rodent-management activities are carried out.
- Drinking water quality is periodically tested across key parameters.
- Office spaces maintain controlled air quality and temperature.
- Female employees are provided with security escorts for evening and night-time travel, and all Company vehicles are equipped with GPS tracking devices.
- First-aid kits are available both on the premises and on transport vehicles.
- Only trained and experienced drivers are deployed for employee transportation.
- Floor plans and safety signage are prominently displayed within the office.
- Health and safety awareness programmes are conducted for employees.
- Comprehensive insurance policies are provided to support employee well-being

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

	CY 2025			CY 2024		
	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	-	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	100%
Working Conditions	100%

R Systems places a strong emphasis on the well being and safety of its employees. The Company conducts internal evaluations across its office locations to assess and enhance working conditions, as well as health and safety practices. These reviews play a vital role in sustaining a secure and supportive workplace and demonstrate R Systems' continued commitment to maintaining an employee centric organization.

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 & safety practices and working conditions.

Not applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

	Yes/No
Employees	Yes
Workers	Not applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

R Systems expects its suppliers and partners to comply with the Supplier Code of Conduct, Business Responsibility Principles, and the Company's core values. When an order is placed, vendors receive the applicable payment details, including Goods and Services Tax (GST), which they are responsible for duly remitting to the government. The Accounts team oversees this process, as the Company is eligible to claim input GST credit only after the vendor has deposited the tax. In addition, all suppliers and partners are required to comply with the laws and regulations of the jurisdictions in which they operate. For manpower-based services, the vendor submits evidence for statutory compliance.

3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	CY 2025	CY 2024	CY 2025	CY 2024
Employees	Nil	Nil	Nil	Nil
Workers	Not Applicable			

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

R Systems does not offer a dedicated transition assistance programme for employees who retire or exit the Company, as its workforce primarily comprises highly skilled professionals who typically do not require such support.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	R System underscores the importance of regulatory compliance including requirements related to health, safety, and working conditions for all its value-chain partners. Although it does not currently evaluate partners against these specific parameters, suppliers are contractually obligated to follow the Company's sustainability policies. These policies emphasize the need for safe working environments and uphold a zero-tolerance approach toward human rights violations, thereby promoting responsible business practices throughout the value-chain.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

We are in the process of developing the corrective actions to be taken, in case of any risk or concerns that may arise.

Annexure E to the Board's Report

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

Essential Indicators

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

The key stakeholder groups are identified in consultation with the Company's management, based on their relevance, influence, and impact on our business. These stakeholders are essential to the Company's success, as they are directly affected by our operations. Likewise, the Company's growth and performance are closely dependent on these groups.

To support this commitment, R Systems has established a structured management approach that facilitates effective engagement with its stakeholders and enables the collection of meaningful insights. This approach allows the Company to understand stakeholder expectations and concerns and to appropriately integrate their feedback into strategic decision making. Such interactions strengthen mutual understanding, help identify priority areas, mitigate potential risks, optimize resource allocation, and align the Company's actions with its overall strategic objectives.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others please specify)	Purpose and scope of engagement including key topics and concerns raised during such Engagement
Customers	No	Customer meetings, customer feedback survey, website, webinars.	Ongoing basis/ Annually	- Customer Satisfaction - Pricing and quality of services
Employees	No	Notice boards, website, intranet, email communications, employee satisfaction survey, annual performance review, townhalls, meetings, trainings.	Ongoing basis	- Professional development, - Working condition - Employee performance, - Employee satisfaction, - Work-life balance - Company culture
Community, NGOs	Yes	Corporate Social Responsibility (CSR) engagements, interaction with the beneficiaries (community meetings), implementing partners.	Ongoing basis	Welfare of the community
Investors, Shareholders & Analysts	No	Annual General Meeting (AGM), Investor meetings/calls, newspaper advertisements, investor grievance redressal mechanism, dedicated email address.	Annually / Quarterly / Need / basis	- Updating on business, Strategies, - Review of Company's performance, - Grievance redressal
Regulatory Bodies	No	Compliance reports, email, personal meetings, calls etc.	Ongoing basis	Compliance with law of the land
Supplier	No	Email communication, supplier grievance redressal mechanism.	Ongoing basis	- Query resolution and grievance redressal - Timely payment of invoices

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

R Systems engages with its stakeholders from time to time on sustainability-related matters, as considered appropriate. Feedback obtained through these engagements is formally communicated to senior management, with particular focus on economic, environmental, and social aspects. The outcomes of these interactions are reviewed during Board meetings, wherever required, which provide a forum for evaluating stakeholder inputs and assessing their implications for the Company's operations and strategy.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, R Systems remains firmly committed to continually motivating and engaging all internal and external stakeholders. Through sustained collaboration with employees, clients, suppliers, partners, and the communities in which it operates, the Company aims to contribute to a more equitable and sustainable future through the responsible and enhanced use of technology. This ongoing journey toward achieving its Environmental, Social, and Governance (ESG) objectives continues to be a key area of focus, and R Systems is currently working on the development of a comprehensive ESG roadmap.

Engagements with both internal and external stakeholders have helped the Company identify emerging priorities, which lead to the formulation of key policies.

CSR initiatives form an integral part of R Systems' broader ESG commitments and are aimed at generating positive social and environmental impact while supporting the Company's long term ESG objectives. During the year, the Company undertook tree plantation initiatives, with approximately 4,000 saplings planted in association with SankalpTarū and Green Yatra. The Company also supported vocational training and educational initiatives for children through Pratham Foundation, PARAS India, Aatmaja Foundation. In addition, R Systems collaborated with Akshaya Patra to support its mid day meal programme and extended support to an orphanage in New Delhi.

This reflects a holistic approach to generating sustained value for the communities served, as well as for R Systems. Similarly, the Company's EHS related policies are focused on achieving excellence in environmental stewardship and in managing health and safety standards across all areas of operation.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

Our CSR initiatives focus on supporting underprivileged sections of society and aim to create equitable opportunities for sustainable development. We continuously track the progress of these initiatives and gather feedback from local communities through ongoing engagement across multiple channels.

The active participation of our implementation partners plays a vital role in shaping and executing our CSR programmes, helping build trust and establishing a foundation for positive socioeconomic outcomes within the communities we serve.



PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	CY 2025			CY 2024		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees workers covered (D)	% (D/C)
Employees						
Permanent	3,278	3,278	100%	2,933	2,933	100%
Other than Permanent	73	73	100%	57	57	100%
Total Employees	3,351	3,351	100%	2,990	2,990	100%
Workers						
Permanent	Not Applicable			Not Applicable		
Other than Permanent						
Total Workers						

Annexure E to the Board's Report

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

Category	CY 2025					CY 2024				
	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)
Employees										
Permanent										
Male	2,588	0	0.00%	2,588	100.00%	2,357	0	0.00%	2,357	100%
Female	690	0	0.00%	690	100.00%	576	0	0.00%	576	100%
Other than Permanent										
Male	63	0	0.00%	63	100.00%	50	0	0.00%	50	100%
Female	9	0	0.00%	9	100.00%	7	0	0.00%	7	100%
Others*	1	0	0.00%	1	100.00%	0	0	0.00%	0	0.00%
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

*Gender disclosure is voluntary, based on self-declaration by employees. One of the Other Than Permanent category employee chose not to disclose the gender.

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (in INR)	Number	Median remuneration/ salary/wages of respective category (in INR)
Board of Directors (BoD)	6	88,475,964	1	-
Key Managerial Personnel ^{Note 1}	2	10,745,097	0	-
Employees other than BoD and KMP	2,585	1,872,600	690	1,135,536
Workers	Not applicable			

Notes:

- KMP excludes the Managing Director and Chief Executive Officer who is included in Board of Directors
- Non-Executive Directors and Independent Directors are not entitled to any fixed or monthly salary or other remuneration except sitting fees

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

	CY 2025	CY 2024
Gross wages paid to females as % of total wages	13.66%	11.98 %

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, the Company recognizes the importance of human rights across its business operations and proactively manages potential impacts through the consistent implementation of its Human Rights Policy. This approach reflects the Company's ongoing commitment to responsible and ethical business practices.

The Human Resources Department at each location serves as the primary point of contact for identifying, addressing, and managing any human rights related concerns or impacts arising from the Company's activities. Designated representatives are responsible for ensuring that human rights considerations are effectively integrated into operational processes and day to day practices.

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

The Company has implemented several effective mechanisms, including a grievance management system, an Internal Complaints Committee for POSH-related matters, and a whistle blower policy, to promptly address any concerns raised within the Company.

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

	CY 2025			CY 2024		
	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	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour/ Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other human rights related issues	Nil	Nil		Nil	Nil	

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

	CY 2025	CY 2024
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

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

R Systems has implemented a Whistle Blower Policy and a POSH Policy to provide employees with a secure mechanism for reporting concerns related to misconduct, impropriety, abuse, or inappropriate behaviour. These policies ensure that individuals can raise issues at an early stage without fear of retaliation or discrimination. Confidentiality is fully maintained permitted by law to safeguard the identity of the whistleblower.

Subsequent to the end of the year, the Company adopted a Grievance Procedure to enable employees to raise workplace concerns in good faith, with assurance of protection against retaliation for bona fide grievances.

Multiple reporting channels are available to employees, customers, suppliers, and other stakeholders for submitting concerns or reporting violations of the Company's code, policies, or legal requirements, including human rights infringements. All submissions are thoroughly reviewed, and appropriate actions are taken on verified violations within the prescribed timeframe.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, human rights requirements are incorporated into the Company's supplier and vendor agreements wherever applicable. These elements are covered under the Company's Human Rights Policy. Suppliers are contractually obligated to comply with the Company's sustainability policies, thereby demonstrating their commitment to upholding human rights and ethical business practices

Annexure E to the Board's Report

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	While the Company does not currently assess its offices on these specific criteria, workforce is obligated under contractual agreements to comply with Company policies, employee handbooks and the Human Rights Policy. This policy prioritizes healthy working conditions and upholds a zero-tolerance stance towards human rights violations, ensuring no human rights violation across the locations R Systems operates in.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

No significant changes to business processes have been made during the reporting period.

2. Details of the scope and coverage of any Human rights due diligence conducted.

R Systems upholds a strict zero tolerance approach toward all forms of human rights violations and operates in full compliance with applicable governmental regulations, regulatory frameworks, and international as well as local laws across all jurisdictions in which it conducts business. This commitment is firmly anchored in the Company's robust governance structure, comprehensive policies, and rigorous internal standards.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

R Systems is committed to fostering an inclusive and accessible work environment for all employees and visitors. The Company endeavours that its infrastructure is designed to accommodate diverse accessibility needs, extending equal consideration to individuals visiting its facilities. In pursuit of a truly inclusive workplace, R Systems provides comprehensive accessibility features including wheelchair access, ramp facilities, and elevators to support seamless mobility and ease of navigation for differently abled individuals across its premises.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	At R Systems, the well-being of its value chain partners is regarded as a priority. The Company has established a comprehensive Supplier Code of Conduct that serves as a guiding framework for supplier engagement. This framework encourages the adoption of strong environmental stewardship, robust governance practices, and socially responsible standards across supplier operations, thereby reinforcing R Systems' commitment to ethical and sustainable business conduct.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

R Systems undertakes regular internal assessments to proactively identify, evaluate, and mitigate potential risks, ensuring the prompt escalation and resolution of any identified concerns. The Company remains firmly committed to full compliance with all applicable statutory and regulatory requirements, including those governing minimum wage standards. Furthermore, R Systems enforces a zero tolerance toward child labour and forced labour and maintains an unequivocal stance against sexual harassment and discrimination in the workplace, reinforcing its commitment to a safe, equitable, and ethical working environment.

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

Essential Indicators

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

Parameter	CY 2025	CY 2024
From renewable sources		
Total electricity consumption (A) (GJ)	184.29 GJ	226.60 GJ
Total fuel consumption (B) (GJ)	-	-
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumed from renewable sources (A+B+C)	184.29 GJ	226.60 GJ
From non-renewable sources		
Total electricity consumption (D) (GJ)	6,527.68 GJ	9,941.54 GJ
Total fuel consumption (E) (GJ)	528.03 GJ	1,156.11 GJ
Energy consumption through other sources (F) (GJ)	-	-
Total energy consumed from non-renewable sources (D+E+F)	7,055.71 GJ	11,097.65 GJ
Total energy consumed (A+B+C+D+E+F)	7,240.00 GJ	11,324.25 GJ
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	6.58GJ/Crore of Turnover	12.42 GJ/Crore of Turnover
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumption/ Revenue from operations adjusted for PPP) (GJ/Crore)	1.42 GJ/Crore of Turnover adjusted for PPP	3.25 GJ/Crore of Turnover adjusted for PPP
Energy intensity in terms of physical output (Total Energy/Total Employees)	2.16 GJ	3.79 GJ
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Notes:

- During the year ended December 31, 2025, the Company shifted its Noida office to a new location at Greater Noida West and operationalized new offices in India. This transition to leased facilities with improved infrastructure and energy efficiency has contributed to a reduction in overall energy consumption compared to the previous year, which is reflected in the energy consumption.
- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

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, The Company is not covered under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water:

Parameter	CY 2025	CY 2024
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,775	8,673.97
(iii) Third party water	10,946.19	3,980.57
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater harvesting)	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	12,721.19	12,654.54
Total volume of water consumption (in kilolitres)	12,721.19	12,654.54

Annexure E to the Board's Report

Parameter	CY 2025	CY 2024
Water intensity per rupee of turnover (Total Water consumed / Revenue from operations) (L/Rs)	11.56KL / Crore of Turnover	13.89 KL / Crore of Turnover
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	2.49 KL / Crore of Turnover	3.63 KL / Crore of Turnover adjusted for PPP
Water intensity in terms of physical output	3.80 KL	4.23 KL
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Notes:

1. Computed as per guidance prescribed in Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.
2. During the reporting year, the Company has shifted from its Noida office which had source of ground water to Greater Noida, where office is leased and not owned and owner is responsible for providing water.
3. Increase in water consumption is on account of increase in number of employees working from office and operationalization of new offices in India during the financial year 2025.
4. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

4. Provided the following details related to water discharged:

Parameter	CY 2025	CY 2024
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- 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	-	-
Total water discharged (in kilolitres)	-	-

Notes: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd

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

Currently, the Company has not implemented a mechanism for Zero Liquid Discharge in any of its facilities.

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

Parameter	Please specify unit	CY 2025	CY 2024
NOx	MT	0.0021	0.0316
SOx	MT	0.0004	0.0005
Particulate Matter (PM)	MT	0.0005	0.0009
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others- please specify	-	-	-

Notes:

- During the year ended December 31, 2025, the Company shifted its Noida office to a new location at Greater Noida West, which is leased and not owned office and owner is responsible for DG sets across the premises. Data is specific to the Noida Office of the Company.
- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

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

Parameter	Unit	CY 2025	CY 2024
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	171.96	504.98
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,267.61	1,977.41
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	1.31	2.72
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	-	0.28	0.71
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	0.43	0.83
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Notes:

- Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.
- During the year ended December 31, 2025, the Company shifted its Noida office to a new location at Greater Noida West and operationalized new offices in India. The transition to leased facilities with shared infrastructure has resulted in a reduction in Scope 1 and Scope 2 emissions

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

We are continuously striving to reduce our GHG emissions through the following initiatives:

The Company is committed to environmental responsibility and sustainable operations. As an IT/ITES Company, the Company's activities do not result in any material adverse environmental impact. Nevertheless, R Systems proactively integrates sustainability considerations into its operations through energy efficient practices, including the adoption of power saving equipment, use of energy efficient air conditioning systems, and periodic emission testing of Company owned transportation vehicles, with the objective of minimizing its environmental footprint and supporting green initiatives.

Annexure E to the Board's Report

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

Parameter	CY 2025	CY 2024
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	0.88
E-waste (B)	8.01	3.86
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	0.35
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	0.50
Total (A+B + C + D + E + F + G + H)	8.01	5.58
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.007 MT/Crores of Turnover	0.006 MT/Crores of Turnover
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0016MT/Crore of Turnover adjusted for PPP	0.0016 MT/Crore of Turnover adjusted for PPP
Waste intensity in terms of physical output	0.002	0.002
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	8.01	1.90
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	8.01	1.90
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	3.68
Total	-	3.68

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. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

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.

The Company is operating in the IT and IT enabled services sector, R Systems' business activities involve minimal use of hazardous or toxic materials across its operations. The Company's commitment to environmental protection is further reinforced through its ISO 27001:2022 certified E Waste Management Policy, which governs the responsible handling and disposal of electronic waste generated from electrical and electronic equipment. The Company is continuously strengthens its waste management practices, with a strong focus on natural resource conservation and operational efficiency. Disposal processes are executed exclusively through authorized agencies, ensuring responsible recycling and safe management of e waste and other hazardous materials.

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

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.
None of the Company's offices are in/around ecologically sensitive areas			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
The operations of the Company are not covered by the 2006 notification on Environmental Impact Assessment					

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 thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

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
Yes, the Company abides by all relevant environmental laws, rules, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

- A. For each facility / plant located in areas of water stress, provide the following information:
- Name of the area: Noida and Greater Noida
 - Nature of operations : IT and IT enabled services
 - Water withdrawal, consumption and discharge in the following format:

Parameter	CY 2025	CY 2024
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,775	8,673.97
(iii) Third party water	8,617.72	125.73
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (In kilolitres)	10,392.72	8,799.70
Total volume of water consumption (In kilolitres)	10,392.72	8,799.70
Water intensity per rupee of turnover (Water consumed/turnover)	9.44 KL / Crore of revenue	9.65 KL / Crore of revenue
Water intensity (<i>optional</i>) – the relevant metric may be selected by the entity*	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
-With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
-With treatment – please specify level of treatment	-	-
(iii) Into 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	-	-
Total water discharged (in kilolitres)	-	-

Annexure E to the Board's Report

B. For each facility/plant located in areas of water stress, provide the following information:

- Name of the area: Chennai
- Nature of operations : IT and IT enabled services
- Water withdrawal, consumption and discharge in the following format:

Parameter	CY 2025	CY 2024
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	1,903.89	2,845.89
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (In kilolitres)	1,903.89	2,845.89
Total volume of water consumption (In kilolitres)	1,903.89	2,845.89
Water intensity per rupee of turnover (Water consumed / turnover)	1.73 KL/Crore of revenue	3.12 KL/Crore of revenue
Water intensity (optional) – the relevant metric may be selected by the entity*	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into 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	-	-
Total water discharged (in kilolitres)	-	-

Notes:

- Computed as per guidance prescribed in Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.
- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.



2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	CY 2025	CY 2024
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	7,259.65	4,669.36
Total Scope 3 emissions per rupee of turnover	tCO ₂ e/Crore of turnover	6.59 tCO ₂ e/Crore of turnover	5.12 tCO ₂ e/Crore of turnover
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Notes:

- Categories included in Scope 3 emissions computations: - C-1: Purchased Goods and Services, C-2: Capital Goods, C-3: Fuel and Energy related activities, C-5: Waste Generated, C-6: Business Travel, C-7: Employee Commute.
- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.
- During the year ended December 31, 2025, the Company has shifted its NOIDA office to a new location at Greater Noida West, Gautam Budh Nagar, Uttar Pradesh. The transition to a leased facility has resulted in increase in Scope 3.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of initiative
1	Usage of LED Lights	Installation of LED lights & power saving equipment	Lower Carbon emission with upgraded equipment's
2	Usage of energy efficient measures	The air is conditioned with energy efficient compressors for central air conditioning.	
3	Others	Consolidation of Data Centres at Greater NOIDA Facility and installation of energy efficient equipment.	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

The Company has implemented a robust and comprehensive Business Continuity and Disaster Management framework designed to ensure sustained operational resilience.

The Company adheres to industry recognized security and risk mitigation standards, including stringent controls to prevent information leakage during testing activities, systematic background verification processes, secure data backup and retention mechanisms, and a well defined disaster recovery strategy.

Through the proactive deployment of business continuity measures, the Company effectively mitigates system disruptions and operational interruptions. This forward looking approach significantly reduces potential downtime, ensures the continuity of mission critical services, and safeguards client interests during unforeseen or disruptive events.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

As an IT/ITES Company, R system's operations have minimal environmental impact, primarily limited to energy consumption and the generation of electronic waste. To address and mitigate these impacts responsibly, the Company requires its suppliers to comply with a comprehensive Supplier Code of Conduct, which establishes mandatory environmental, occupational health, and safety standards to be upheld across the supply chain.

Annexure E to the Board's Report

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Presently, the Company is not assessing the value chain partners for environmental impacts. Going forward, the Company is planning to initiate this environmental impact assessment for suppliers and include it in the policy.

8. How many "Green Credits" have been generated or procured:

R Systems has not generated or procured green credits in the reporting year ended December 31, 2025.

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

Essential Indicators

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

The Company is affiliated with two trade and industry chambers/associations.

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	National Association of Software and Service Companies (NASSCOM)	National
2	Export Promotion Council for EOUs & SEZ	National

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

Name of authority	Brief of the case	Corrective action taken
Not applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Others – please specify)	Web Link, if available
The Company does not engage in policy advocacy, however, its active participation in trade and industry associations ensures continued awareness of industry developments, constructive engagement in policy discourse, and collaboration within the broader business community.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name 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
Not Applicable					

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. The operations of the Company have not displaced any population or their livelihoods. Hence, no R&R activities are carried out.						

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

The Company's CSR policy is designed to deliver meaningful and sustainable impact across the communities in which it operates. The Company actively implements inclusive, grassroots level initiatives with direct oversight and involvement from senior management. Robust grievance redressal mechanisms are maintained through the continuous collection, monitoring, and evaluation of feedback via appropriate channels. Beneficiaries are provided with adequate forums to raise concerns, while periodic meetings with implementation partners enable ongoing assessment of project effectiveness and timely resolution of issues. In addition, the Company fosters a culture of transparency and accountability, empowering community members to articulate their concerns openly and without hesitation.

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

	CY 2025	CY 2024
Directly sourced from MSMEs/ small producers	28.38%	15.40%
Sourced directly from within India	74.88%	83.21%

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	CY 2025	CY 2024
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	Nil	Nil
Metropolitan	100%	100%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable	

Annexure E to the Board's Report

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
None			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No, the Company does not have a preferential Procurement Policy

- (b) From which marginalised / vulnerable groups do you procure?

Not applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case
Not applicable	

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Centre of Excellence at IIT Delhi	-	-
2	Mid-day Meal Project	1,685	100%
3	Udaan and Asha (Education and Mentorship Programme)	85	100%
4	Vocational Training	80	100%
5	Silai School	20	100%
6	Project PAHAL	431	100%
7	Urban Planation	-	-
8	Maintenance of Vulnerable Groups	30	100%
9	School Education	10	100%

Notes:

- R Systems has setup a Center of Excellence (CoE) on Applied AI for Sustainable Systems at IIT Delhi, which will include a cutting-edge research lab, the creation of an endowed faculty chair position, and the initiation of merit-based student scholarships. This initiative will facilitate the industry-academia partnership aimed at bridging the gap between theoretical research and practical application of AI solutions.
- In association with Green Yatra and SakalpTaru, the Company has planted 4000+ saplings which will help in sequestering carbon dioxide from the atmosphere and improving soil quality. This urban plantation will also provide the local communities with a green space and raise environmental awareness.

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

Essential Indicators

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

R system has established a robust and well defined framework for the receipt, management, and resolution of consumer complaints and feedback, ensuring an efficient and seamless grievance resolution process. Dedicated account managers and client engagement leads are responsible for overseeing grievance handling in accordance with predefined escalation protocols as stipulated in client agreements.

Feedback is proactively collected through multiple channels, including email, telephone, and in person interactions, enabling R systems to promptly identify concerns and anticipate evolving client needs. Customer satisfaction surveys further provide actionable insights into performance, expectations, differentiators, improvement areas and complaint resolution, thereby informing and driving continuous improvement initiatives.

In addition, the Company's website features a dedicated "Contact Us" section that serves as a direct and accessible platform for clients to submit feedback and service requests. Upon receipt of complaints or suggestions, the Company undertakes timely corrective actions, reinforcing its commitment to customer satisfaction and the continuous enhancement of service excellence.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not tracked, as it is not relevant to the nature of the business operations and the services the Company offers.
Safe and responsible usage	
Recycling and/or safe disposal	

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

	CY 2025			CY 2024		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil

Annexure E to the Board's Report

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

	Number	Reasons for recall
Voluntary recalls	Not Applicable, due to the nature of the business	
Forced recalls		

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, R systems places the highest priority on information security and data privacy, employing rigorous safeguards to protect both internal and client data and have in place Cyber Security policy, Information Security Policy, Information Security Incident Management policy that apply to all employees, third-party contractors, and vendors of R Systems. This commitment is underscored by the Company's Information Security Management Systems (ISMS), which are aligned with the requirements of the ISO 27001:2022 standard, HI TRUST Certification.

Through the implementation of multi layered security controls, the Company ensures robust IT compliance, proactively supports business continuity, and minimizes operational disruptions. These measures collectively uphold the confidentiality, integrity, and availability of sensitive information, enabling secure and uninterrupted service delivery. R system's privacy policy, cookies policy, available at <https://www.rsystems.com/privacy/>, reflects its steadfast dedication to the protection of personal and confidential information.

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.

Not applicable, as there were no instances recorded during CY 2025 relating to advertising, and delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

c. Impact, if any, of the data breaches

Nil

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

R Systems is a global product engineering and digital solutions provider. We combine complex engineering, Data & AI, cloud-native capabilities with deep domain understanding to design and build innovative products for Tech, SaaS platforms and enterprises across industry verticals. We leverage the power of Automation and Agentic AI to transform value chains to boost productivity and deliver differentiated customer experiences. With a culture of co-creation and an extensive partner ecosystem, we help customers navigate market shifts and drive sustained strategic growth. All services and offerings are available on our official website: at www.rsystems.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable to the nature of our business.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company has instituted a comprehensive and resilient business continuity architecture designed to mitigate operational disruption and ensure the uninterrupted delivery of mission critical services. The framework is underpinned by industry recognized security controls, including rigorous breach prevention testing, redundant infrastructure design, stringent personnel background verification, routine data backup protocols, and advanced incident response mechanisms.

Complementing this, the Company's integrated disaster recovery and business continuity plans emphasize operational readiness and proactive stakeholder communication, ensuring that clients are promptly informed of any potential risks to service continuity while maintaining business resilience and trust.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The disclosure of product level information on physical or digital products is not applicable to the Company's operating model. The Company places a strong emphasis on customer experience excellence and continuously evaluates service effectiveness through structured annual customer satisfaction surveys. These assessments benchmark critical performance dimensions, including service quality, delivery discipline, communication efficacy, depth of technical expertise, and responsiveness to client feedback and grievances. The insights derived from this ongoing evaluation framework enable the Company to refine its service portfolio, drive continuous improvement, and remain closely aligned with evolving client expectations.

For and on behalf of

R Systems International Limited

Nitesh Bansal

(Managing Director & Chief Executive Officer)

DIN: 10170738

Place: Chişinău, Moldova

Date: May 27, 2026

Ruchica Gupta

(Chairperson & Non-Executive Independent Director)

DIN: 06912329

Place: New Delhi

Date: May 27, 2026

Annexure F to the Board's Report

Secretarial Audit Report

For The Financial Year Ended 31st December, 2025

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

To,

The Members of

R SYSTEMS INTERNATIONAL LIMITED

(CIN: L74899DL1993PLC053579)

GF-1-A, 6, Devika Tower, Nehru Place,

New Delhi - 110019

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December, 2025 ('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 Audit Period according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

(vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/Industry are:

- (a) The Information Technology Act, 2000 and Rules made thereunder;
- (b) Policy relating to Software Technology Parks of India and its regulations;
- (c) Foreign Trade Policy as formulated under the Foreign Trade (Development and Regulation) Act, 1992 and Rules made thereunder;
- (d) The Special Economic Zones Act, 2005 and Rules made thereunder.

We have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India; and
- (ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We have checked the Compliance Management System of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the Compliance Management System of the Company seems adequate to ensure compliance of above-mentioned specific laws applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including the Woman Director. No changes in the composition of the Board of Directors took place during the Audit Period.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except meetings convened at a shorter notice) 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 meetings.

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

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

We further report that during the audit period:

- The members of the Company approved the adoption of a new set of Articles of Association via Postal Ballot on January 27, 2025.
- The Company has declared interim dividend of Rs. 6.00 per equity share on May 08, 2025. The said interim dividend has been paid to shareholders on June 02, 2025.
- The Company has allotted 100,137 equity shares during financial year 2025, upon exercise of 100,137 Restricted Stock Units(s) under the R Systems International Limited Management Incentive Plan 2023.
- The Board of Directors of the Company, at its meeting held on September 11, 2024, approved, subject to necessary approvals, a composite scheme of amalgamation under Sections 230 to 232 of the Companies Act, 2013, for the merger of Velotio Technologies Private Limited ("Velotio") and its wholly owned subsidiary, Scaleworx Technologies Private Limited ("Scaleworx"), with the Company ("Scheme").

Subsequent to year under review, the Hon'ble National Company Law Tribunal, New Delhi ("NCLT"), vide its order dated April 16, 2026, has sanctioned and approved the Scheme. The Scheme became effective on May 01, 2026, upon filing of the certified copy of the said order with the Registrar of Companies. Pursuant to the Scheme becoming effective, Velotio and Scaleworx stand amalgamated with the Company and consequently dissolved without undergoing the process of winding up. Accordingly, the equity shares of Velotio and Scaleworx stand cancelled.

Further, the Optionally Convertible Redeemable Preference Shares ("OCRPS") held by the OCRPS holders in Velotio stand cancelled. In consideration thereof, the Company will be issuing 51,60,833 OCRPS ("RSIL OCRPS") to such OCRPS holders in accordance with the swap ratio specified in the Scheme.

- The Board of Directors of the Company in their meeting held on August 21, 2025 has given their approval for the acquisition of 100% equity shares of Novigo Solutions Private Limited ("Novigo"). Based upon the said approval, the Company has completed the acquisition of Novigo on November 13, 2025.
- The Company has allotted 27,500 Rated, Listed, Unsecured, Senior, Redeemable Non-Convertible Debentures ("Debentures") of Nominal Value of Rs. 1,00,000/- (Rupees One Lakh only) per Debenture aggregating to INR 2,75,00,00,000/- (Rupees Two Hundred and Seventy-Five Crore only) on November 11, 2025.

**For DPV & Associates LLP
Company Secretaries**

Firm Reg. No.: L2021HR009500
Peer Review Certificate No. 6189/2024

Devesh Kumar Vasisht
Managing Partner

Date : May 6, 2026
Place : Faridabad

CP No.:13700 / Mem. No. F8488
UDIN: F008488H000281904

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

Annexure to the Secretarial Audit Report

To,
The Members of
R SYSTEMS INTERNATIONAL LIMITED
(CIN: L74899DL1993PLC053579)
GF-1-A, 6, Devika Tower, Nehru Place,
New Delhi - 110019

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on those 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 a test-check basis to ensure that the correct facts are reflected in the secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance of laws, rules, and regulations and the happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test-check 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 DPV & Associates LLP
Company Secretaries

Firm Reg. No.: L2021HR009500
Peer Review Certificate No. 6189/2024

Devesh Kumar Vasisht

Managing Partner

CP No.:13700 / Mem. No. F8488

UDIN: F008488H000281904

Date : May 6, 2026

Place : Faridabad

Annexure G to the Board's Report

Annual Report On Corporate Social Responsibility ("CSR") Activities

For The Financial Year ended December 31, 2025

1.	A brief outline of the company's CSR policy					
	To support and endeavor to bring about positive difference to communities where we exist. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build R Systems International Limited into an organization which maximizes Stakeholders Value. The Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers and other stakeholders.					
2.	Composition of the CSR Committee (As on December 31, 2025)					
	Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	
	1	Mr. Amit Dalmia	(Non-Executive Director)- Chairman	2	2	
	2	Mr. Animesh Agrawal	(Non-Executive Director)- Member	2	1	
	3	Mr. Kapil Dhameja	(Non-Executive Independent Director) -Member	2	2	
3.	The web-link where composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company: https://media.rsystems.com/wp-content/uploads/2026/05/CSR-Projects-approved-by-the-Board-of-Directors-2026.pdf .					
4.	Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not applicable for the financial year ended on December 31, 2025.					
5(a)	Average Net Profit of the Company as per Sub-section (5) of Section 135.				INR 1,789,793,393/-	
5(b)	Two percent of average net profit of the Company as per sub-section (5) of section 135.				INR 35,795,868/-	
5(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.				Nil	
5(d)	Amount required to be set off for the financial year, if any				Nil	
5(e)	Total CSR obligation for the financial year (5b+5c-5d).				INR 35,795,868/-	
6(a)	Amount Spent on CSR Projects (Both Ongoing Project and Other than Ongoing Project).				INR 35,795,868/-	
6(b)	Amount spent in Administrative Overheads.				Nil	
6(c)	Amount spent on Impact Assessment, if applicable.				NA	
6(d)	Total amount spent for the Financial Year [6(a)+6(b)+6(c)]				INR 35,795,868/-	
6(e)	CSR amount spent or unspent for the Financial Year:					
	Total Amount Spent for the Financial Year. (in INR)	Amount Unspent (in INR)				
		Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.			
			Name of the Fund	Amount	Date of transfer	
		Amount.	Date of transfer			
	INR 35,795,868	Nil		Nil		
6(f)	Sr. No.	Excess amount for set-off, if any:				Amount
		Particulars				
	1	Two percent of average net profit of the Company as per Section 135(5)				INR 35,795,868/-
	2	Total amount spent for the financial year				INR 35,795,868/-
	3	Excess amount spent for the financial year [(2)-(1)]				Nil
	4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any				Nil
	5	Amount available for set off in succeeding financial years [(3)-(-4)]				Nil

Amount (in INR)

7	Details of Unspent Corporate Social Responsibility Amount for the Preceding Three Financial Years:								
	Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
						Amount	Date of transfer		
	1	December 31, 2024	Nil						
	2	December 31, 2023							
	3	December 31, 2022							

8	Whether any Capital Assets have been Created or Acquired through Corporate Social Responsibility Amount Spent in the Financial Year: Yes () No (✓)							
If yes, enter the number of capital assets created/acquired: Not Applicable								
	Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
						CSR Registration Number, if applicable	Name	Registered address
Not Applicable								
9	Specify the Reason(s), if the Company has Failed to Spend Two per Cent of the Average Net Profit as per Section 135(5)						Not Applicable	

Nitesh Bansal
(Managing Director & Chief Executive Officer)
(DIN: 10170738)

Amit Dalmia
(Non-Executive Director & Chairman of CSR Committee)
(DIN: 05313886)

Place : Chişinău, Moldova
Date : May 27, 2026

Place : Mumbai
Date : May 27, 2026

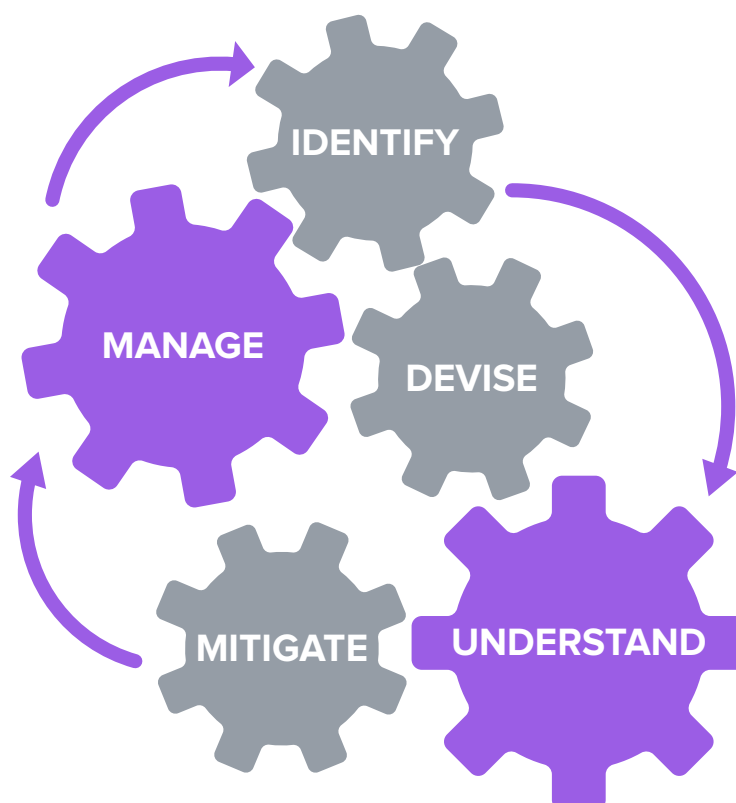
RISK MANAGEMENT REPORT

Risk Management Report

The Management cautions readers that the risks outlined in this report are not exhaustive, are for information purposes only and may contain forward looking statements, the results of which may differ materially from those reflected. Investors and readers are requested to exercise their own judgment in assessing various risks associated with the Company.

Overview

Risk Management is a dynamic process which should constantly be able to identify all the emerging risks and propose solutions to manage them. The risk perception also constantly varies depending on the size of the business, business segment, location, scale of business. The essence of risk management strategy at R Systems International Limited ("R Systems"/ "Company") lies in maximising areas of control over outcome and minimising areas where the Company has no control over outcome. R Systems recognizes that business conditions are constantly changing, evolving, and entering into cycles. Following is the model adopted by the Company for managing risk:



Enterprise Risk Management Structure

Risk management is an integral part of the charter of the Board of Directors at R Systems. The Board has constituted the Risk Management Committee which is entrusted with the responsibility of monitoring risk levels on various parameters and to suggest measures to address the same. The day to day management of the risk is entrusted to the management team of R Systems. Based on the philosophy of "No risks, No rewards", our management continuously keeps monitoring the level of our existence on the path of growth and within R Systems management structure, certain personnel are designated with responsibility of managing risks including ensuring compliance with laws, rules and regulations with the assistance of both internal and external resources. Further, formal reporting, escalation of risk events and control mechanisms ensure timely communication, response and proactive management of the risks.

Risk management at R Systems

1. Customer Concentration

R Systems revenues are dependent to a considerable extent upon relationships with a limited number of customers and retaining those customers. The percentage of total consolidated revenues during fiscal year 2025 and 2024 that R Systems derived from contracts with its top line customers is as follow:

Customer	Year Ended	
	December 31, 2025	December 31, 2024
Top 10	25.24%	22.74%
Top 5	17.17%	15.07%
Top 3	13.12%	10.92%
The Largest Customer	6.20%	5.57%

Concentration of revenues from a limited number of customers deepens our relationship with those customers but at the same time imposes a risk of dependence. Customer's vendor management strategies and business risks radiate on to R Systems through fluctuations in utilization, pricing for services and service level demands. All these factors could potentially impact revenues and profitability of R Systems.

Risk Mitigation and Control Measures

The business model and strategy followed by R Systems involves serving the customers in a manner that they get measurable tangible benefits. When customers see value in the services/ solutions that R Systems provides, we believe that customer's relationship can be nurtured into the long term. Further, with our proactive strategy of adding new customers, we attempt to reduce our dependency on a smaller number of customer relationships.

2. Geographical Concentration

R Systems has traditionally derived most of its revenues from the North America, given the technology focus and specialized outsourced product development services offered by it. The geographic break-up of the revenue is given below:

Revenues by Geographies	Year Ended	
	December 31, 2025	December 31, 2024
North America	72.66%	74.24%
Asia-Pacific (APAC)	17.18%	16.31%
Europe	9.04%	8.91%
The Middle East and Africa (MEA)	1.12%	0.54%
Total	100%	100%

Risk Mitigation and Control Measures

In order to mitigate the risk of geographical concentration, R Systems has stepped up its business activities in other geographic areas like Middle East, Europe, Asia-Pacific etc.

3. Risks Associated with Fixed Price Contracts

Under our product engineering and digital offerings most of our assignments are on the basis of time and material task orders, some proportion of the services provided by us is in the nature of fixed bid assignments. Under fixed bid assignments, in the event of cost overruns, our profitability will be adversely affected.

Risk Mitigation and Control Measures

We have our internal processes to ensure accuracy in the estimation of the time required to execute fixed price projects, and processes to implement and monitor the progress of such projects. Further, the experience gained from such projects is also used for new projects. However, given the very nature of the fixed price projects, cost overruns and delayed deliveries cannot be ruled out.

4. Competition

The IT & ITES sector is a highly competitive sector. Our competitors include IT outsourcing firms in India as well as in other countries, national and multinational consulting and technology firms, Indian IT services firms, software firms and in-house IT departments of large companies. The competition in the IT industry is very intense and our competitors are aggressive in winning new business and customers that may drive a harder bargain.

Risk Mitigation and Control Measures

We believe that R Systems is well positioned and enjoys following competitive advantages:

- Experience in providing end-to-end solutions and services to customers;
- Unique and proprietary & with best practices, tools and methodologies for flawless execution;
- Investment in processes, talent and methodologies;
- Strong customer franchise consisting of large and mid-sized corporations;
- Strong financial position;
- Proven global delivery model;
- Our vertical focus for services and solutions;
- Industry best human resource practices to attract, develop, deploy and retain talent.

5. Disaster Prevention and Recovery

The Company operates in a technology-driven environment where the confidentiality, integrity and availability of information systems are critical. Any actual or perceived breach of information security or disruption to IT systems may adversely impact customer confidence, expose the Company to contractual liabilities and litigation, and affect its financial performance.

Further, the Company may be exposed to risks arising from natural or man-made disasters, which could disrupt business operations, impact service delivery and pose risks to employee safety.

Risk Mitigation and Control Measures

The Company has implemented a comprehensive framework for disaster prevention, business continuity and information security management, which includes the following:

- **Information Security and Compliance:** Adoption of industry-standard security practices, including execution of non-disclosure and confidentiality agreements with employees and partners, background verification processes and robust internal controls to prevent data leakage.
- **Certifications and Assurance:** The Company maintains globally recognised certifications and attestations,

- including ISO 27001:2022, SOC 2 Type II and HITRUST, demonstrating adherence to established information security and control standards.
- **Data Protection and Governance:** Implementation of data protection policies, supported by a structured governance framework.
- **Cybersecurity Controls:** Deployment of strong security safeguards, including access controls, data encryption protocols, continuous monitoring mechanisms and employee awareness programmes.
- **Risk Assessment:** Periodic internal risk assessments to identify vulnerabilities and implement preventive and corrective measures in a timely manner.
- **Business Continuity and Disaster Recovery:** Maintenance of robust disaster recovery and business continuity plans, including regular data backups and system redundancy to ensure continuity of operations.
- **Operational Resilience:** A geographically distributed delivery model, supported by resilient infrastructure and work-from-home capabilities, enabling uninterrupted service delivery.
- **Insurance Coverage:** Adequate insurance coverage has been obtained to mitigate potential financial impact arising from unforeseen hazard events.

The Company continues to invest in strengthening its information security and operational resilience capabilities to effectively manage evolving risks and maintain high standards of service delivery.

6. Talent Acquisition & Retention

The IT and KS sector is highly competitive in terms of hiring strategy and incentives. R Systems is highly dependent on its employees at various levels of the organisation to provide leadership, manage the business, to provide services and execute complex projects for the clients. These skilled professionals are in high demand by other organisations and if R Systems is unable to attract and retain the skilled people, it will affect R Systems ability to grow and provide services to its customers.

Risk Mitigation and Control Measures

At R Systems, we follow industry best human resource practices to attract, develop, deploy and retain talent. The Company is committed to develop and innovate such programmes that motivates them and develop their potential and also inculcate leadership attributes of the employees, which helps us to retain the best talent in the industry.

7. Key Managerial Role & Succession Planning

Succession planning is one of the most critical functions of an organization. This is the process that identifies the critical and core roles of an organization and identifies and assesses the suitable candidates for the same. The process ramps up potential candidates with appropriate skills and experiences in an effort to train them to handle future responsibilities in their respective roles. Succession planning is applicable for all critical roles in any organization. The upper management of each practice or department is responsible for coming up with a suitable succession plan for each core position under his or her department.

Risk Mitigation and Control Measures

R Systems has implemented a comprehensive and clearly defined Succession Planning policy. This policy encompasses all key roles within the organization, as determined by the Senior Management.

Mission-critical positions include the Chief Executive Officer, the Senior Management Team comprising Vice Presidents, and other roles essential for the continuity of business operations. Succession planning at R Systems is conducted at least annually, coinciding with the annual performance appraisal cycle.

Furthermore, the Company maintains extensive recruitment teams across its operational markets to continuously attract skilled personnel at various organizational levels. Additionally, R Systems implements a rigorous training program for entry-level professionals, aimed at developing the next generation of managers and leaders. The Company employs modern HR practices, offering competitive compensation and benefits packages, as well as an engaging work environment to attract and retain top talent. To mitigate the impact of attrition on service continuity for clients, R Systems utilizes its proprietary processes and methodologies that enable project teams to seamlessly share knowledge and collaborate on project.

8. Technological Obsolescence

The Company operates in a rapidly evolving technology landscape characterised by accelerated advancements in artificial intelligence (AI), cloud computing and digital platforms. Failure to adapt to such changes or delays in adoption of emerging technologies may impact the Company's competitiveness, service relevance and growth prospects.

The increasing adoption of AI and digital technologies also necessitates continued investments in technology infrastructure, cybersecurity, data privacy, workforce upskilling and regulatory compliance. These investments may result in short-term pressure on operating margins and increased compliance costs. Further, risks associated with technology obsolescence, inaccurate or biased AI outputs, and evolving regulatory requirements may expose the Company to financial, operational and reputational risks if not effectively managed.

Risk Mitigation and Control Measures

The Company has adopted a proactive approach to manage technology-related risks and leveraging emerging opportunities, including:

- **Capability Building:** Continuous investment in emerging technologies, including AI, data analytics and cloud, supported by structured recruitment, training and upskilling initiatives to build a future-ready workforce.
- **Responsible AI Practices:** Implementation of governance frameworks to promote responsible and ethical use of AI, including mitigation of bias, accuracy controls and compliance with evolving regulatory requirements.
- **Innovation Platforms:** Development and deployment of proprietary platforms such as OptimaAI, the Company's generative AI workbench, and EXIQO, an AI studio designed to enable scalable, production-grade AI solutions across business and technology functions.
- **Technology Partnerships:** Expansion of strategic alliances and technology partnerships to enhance innovation, scalability and resilience in service delivery.
- **Operational Efficiency:** Leveraging digital technologies to improve delivery efficiency, enhance customer experience and support long-term competitiveness.

These initiatives collectively enable the Company to mitigate risks associated with technological change while strengthening its innovation capabilities and sustaining long-term growth.

Risk management at R Systems

9. Acquisitions

R Systems' growth strategy involves future strategic acquisitions, partnerships and exploration of mutual interests with other parties. These future acquisitions may not contribute to our profitability, and we may be required to incur or assume debt, or assume contingent liabilities, as part of any acquisition. We could have difficulty in assimilating the personnel, operations, software assets and technology of the acquired company. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses.

Risk Mitigation and Control Measures

R Systems' will remain sharply focused on those acquisitions and partnerships that add to the competitive strengths of our business. Specific transactions are evaluated in detail with experienced internal personnel and external advisors, wherever relevant, before consummating any transaction. Deal teams conduct technical, operational, marketing due diligence and build detailed financial model to evaluate the risks and benefits of any transaction. Further, contractual agreements are negotiated with the advice of legal counsel to protect Company's interests.

10. Credit Risk

As a matter of business practice, the payment collection process may extend over a period of time. Customers budgeting constraints can impact their ability to make the required payments. In addition, the creditworthiness of our clients may deteriorate and we can be adversely affected by bankruptcies or other business failures of our customers.

Risk Mitigation and Control Measures

R Systems' credit terms are standard and there is rigorous process in following up with customers for payments as and when the invoices fall due for payment. The Company has suitably streamlined its processes to develop a more focused and aggressive receivables management systems to ensure timely collections as a result of the global liquidity crunch.

11. Foreign Currency Rate Fluctuations

Managing an equilibrium state in the light of the unfavourable movements in exchange rates involved in earnings and expenditure in foreign currency continues to be one of the challenges when exposed to global markets. A significantly large percentage of R Systems consolidated revenues are either foreign currency denominated or derived from export earnings. Whereas a major portion of the R Systems expenses in India are incurred in Indian Rupees. As a result, operating profits will be highly impacted by foreign currency rate fluctuations. While depreciation of the Indian Rupee would have a favourable bottom-line impact, an appreciation would affect R Systems profitability adversely.

Risk Mitigation and Control Measures

R Systems cannot directly influence exchange rates, it is incumbent upon management to follow a well thought out policy to hedge the risk associated with foreign currency without taking speculative positions. R Systems attempts to minimize currency fluctuation risks on export earnings by taking forward covers on Rupee - USD/EURO exchange rate based on anticipated revenues and debtors at periodic intervals. R Systems has laid down appropriate policies and processes for the use of financial derivative instruments consistent with its risk management strategy. The Company does not use the foreign exchange forward contracts for trading or speculation purposes.

12. Inflation and Cost Structure

R Systems' cost structure consists of salary and other compensation expenses, overseas travel, and other general selling and administrative costs. Rapid economic development in India and increasing demand for global delivery may have a significant impact on these costs and the rate of inflation as relevant to the IT & ITES services industry. This is compounded by the fact that overseas competitors may treat their India strategy as a cost centre and develop the same regardless of the cost incurred and its impact on their profitability.

Risk Mitigation and Control Measures

R Systems' major costs are salary and benefit cost that it incurs on employees. These costs may have a tendency to escalate faster than the rate of inflation because of the demand for skilled and experienced professionals. R Systems attempts to mitigate the risks associated with wage inflation by obtaining increased price from clients, increasing bench mark prices for new business, enhancing productivity, increasing utilisation and inducting fresh graduates and training them. Further, R Systems' has implemented robust processes and information systems to enable personnel to make the right decisions for revenue realisation and cost optimisation to minimise the risks of changes in salary cost structure.

13. Intellectual Property Rights

The Company's operations involve development, use and protection of intellectual property, including proprietary assets as well as intellectual property belonging to its customers and end users. Any unauthorised use, infringement, or failure to adequately protect such intellectual property may expose the Company to legal, financial and reputational risks.

Risk Mitigation and Control Measures

The Company has implemented appropriate policies, processes and controls to safeguard intellectual property and ensure compliance with applicable laws, including:

- **Information Security Framework:** Adoption of robust information security practices aligned with globally recognised standards such as ISO 27001:2022, supported by periodic internal and external audits to ensure ongoing compliance.
- **Contractual Safeguards:** Execution of comprehensive agreements with clients, employees and partners, including confidentiality, non-disclosure and intellectual property protection clauses.
- **IP Management Practices:** Ongoing identification, protection and management of intellectual property assets, including filing of applications for registration, where considered appropriate.
- **Monitoring and Compliance:** Continuous monitoring mechanisms to prevent unauthorised use or disclosure of intellectual property and to ensure adherence to applicable legal and contractual obligations.

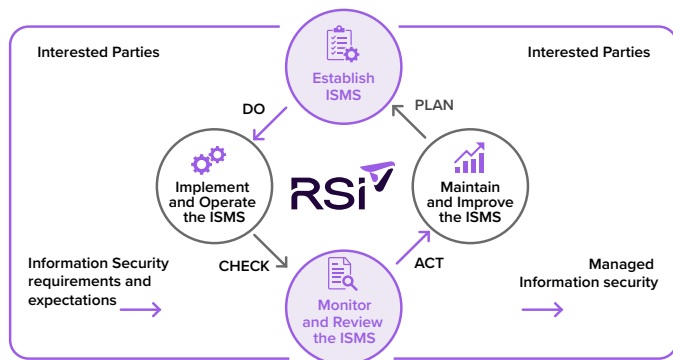
The Company continues to strengthen its intellectual property management framework to mitigate risks and protect its proprietary assets and those entrusted to it by its customers.

14. Information Security Management

R Systems being an IT and Software service provider company focusses on maintaining the confidentiality, integrity and availability of business data and information to the exclusive but optimum use for the accomplishment of organizational objective. The task of maintaining the confidentiality of business data and information not only faces threat from outside the organization but also within the organization where the business data and information are put to use.

Risk Mitigation and Control Measures

For ensuring the effectiveness of Information security, it is important that information security can be effective only if it is addressed at people, process and technology levels and is integrated in the way an organization operates. R Systems has established, documented and implemented Information Security Management Systems (ISMS) and shall continually improve its effectiveness in accordance with requirements of ISO 27001:2022, SOC2 Type II and HITRUST. The approach applied to the ISMS is given in Figure below:



R Systems' security policy provides a framework for protecting confidentiality, integrity and ensuring availability of organization's Information assets to the authorized persons. This is to safeguard the interest of customer, business continuity and continual improvement of ISMS at R Systems. The security policy of R Systems has been designed to safeguard the risk associated with information security management.

15. Contractual Risk

The primary contractual risks that R Systems faces pertain to obligations of R Systems to provide services with full adherence to contracted terms of quality, time deadlines, output per hour, protection of confidential information, protection of intellectual property rights, patents and copyrights. R Systems has a rigorous process to evaluate the legal risks involved in a contract, ascertains its legal responsibilities under the applicable law of the contract and tries to restrict its liabilities to the maximum extent possible.

Risk Mitigation and Control Measures

R Systems attempts to protect itself with "no consequential losses" and "maximum liability" clauses. R Systems also ensures that risks are protected through various insurances like professional liability, workers compensation, directors' and officers' liability, cyber & crime insurance. The Company's past record in this regard has been good and there has been no significant damages awarded against the Company that has resulted in material adverse impact on our financial position.

R Systems also has an escalation process to immediately involve senior management personnel in case R Systems customers or contractors make any assertion of breach of contract. R Systems has employed professionals with adequate legal expertise who plays handy role in finalizing the various terms under written contracts on behalf of the Company. The experience gained from past contracts and transaction entered into by the Company are also analysed and implemented for the new contracts envisaged by the Company. As a matter of practice depending upon the criticality of the transactions, contractual agreements are well discussed within the organization in coordination with technical team as well legal professionals and are also negotiated with the advice of legal counsel to protect Company's interests.

16. Execution Risk

R Systems clients are from Tech, Internet, Platforms & Services (TIPS), Health, Manufacturing & Logistics (M&L), Telecom, Media & Entertainment (TME) and Banking, Finance & Insurance (BFSI) sectors. These clients need high quality and timely delivery of services with very stringent services level agreements. Any failure in delivery, quality, meeting service level bench agreements, product features and functionalities could adversely affect R Systems relationship with its clients, which could potentially impact R Systems revenues and profitability.

Risk Mitigation and Control Measures

R Systems has continuously invested in processes, people, training, information systems, quality standards, frameworks, tools and methodologies to mitigate the risks associated with execution of projects. Adoption of quality models and practices such as ISO, Capability Maturity Model (CMM) and HITRUST have ensured that risks are identified and mitigated at various levels in the planning and execution process. Further, senior management personnel, project managers and process leaders are entrusted with the responsibility to meet the project and service level expectations on various engagements. Planned intervention and escalation systems are further deployed to minimise risks.

17. Directors' and Officers' Liability Risks

The directors and officers of R Systems are required to take material decisions in the best interest of the Company. Such decisions might result in errors and omissions and R Systems might be sued by the other counterpart.

Risk Mitigation and Control Measures

To mitigate this risk, the directors and officers take legal and expert advice when required and have taken various insurance policies outlined earlier including professional liability and directors' and officers' liability insurance. The Company attempts to limit its contractual liability for damages arising from negligent acts, errors, mistakes or omissions by directors and officers in rendering services, there can be no assurance that the limitations of liability set forth in its service contracts will be enforceable in all instances or will otherwise protect the Company from liability for damages. Though the Company maintains general liability insurance coverage, including coverage for errors or omissions, going forward, there can be no assurance that such coverage will be available on reasonable terms and in sufficient amount to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. The successful assertion of one or more large claims against the Company could adversely affect the Company's results of operations and financial condition.

18. Visa Regulations / Restrictions

Several overseas employees of R Systems are Indian nationals. The ability of R Systems to render its services in the US, Europe and other countries depends on the ability to obtain visas and work permits. Immigration to US, Europe and other countries are subject to legislative changes as well as variations in standards of application and enforcement due to political forces and economic conditions, for example, any major change in immigration policy of USA may put the challenge to Indian IT Companies. It is difficult to predict the political and economic events that could affect immigrations laws or the restrictive impact they could have on obtaining or monitoring work visas. The reliance on visas makes R Systems vulnerable to such changes and variations as it affects the ability of the Company to staff projects with employees who are not citizens of the country where the work is to be performed. As a result,

Risk management at R Systems

R Systems may not be able to get a sufficient number of visas for employees or may encounter delays or additional costs all of which may affect profitability.

Risk Mitigation and Control Measures

R Systems monitors the status of visa availability and requirements on a regular basis in consultation with external legal counsel. In house legal personnel are entrusted with the responsibility for compliance with the immigrations laws which is validated by periodic independent audit. R Systems may expand its business in other geographies to de-risk from US business meanwhile it may boost US hiring. R Systems may look forward to change its business models so that it can deliver from different locations globally through innovation.

19. Environmental, Social and Governance (ESG) Risks

ESG Risks are those concerns arising from Environmental, Social and Governance factors that are likely to affect the financial situation or operating performance of a company. The environmental aspect focuses on how the business minimises its impact on the environment. The social aspect focuses on how a business impacts wider society and workplace culture. Governance refers to business's ethical behaviour and its transparency with stakeholders about its activities. These factors have a significant impact on a Company's long-term sustainability, profitability and reputation of the Company.

Risk Mitigation and Control Measures

The Company is cautious of the impact of its operation on the environment and society as well. The Company is diligently integrating good environmental, social and governance practices into its policies and operations. Though your Company does not have energy intensive operation, every possible endeavour has been made for optimal usage of energy and resources.

The Company promotes a safe and healthy working environment, ensuring equal opportunities, respects human rights and fair treatment for all employees. The Company also expects all its employees, consultants, independent contractors and suppliers to observe these practices. As a responsible Corporate Citizen, the Company engages with the Community through its Corporate Social Responsibility initiatives.

The Company ensures a transparent and effective communication with its stakeholders, fostering a diverse and balanced board structure, inculcating anti-corruption policies, and establishing fair and reasonable executive compensation.

R Systems has a compliance management system with qualified managers entrusted with compliance of various laws including the listing laws and regulations applicable to public companies in India. The Company uses independent legal counsel to advise the Company on compliance issues with respect to the laws of various countries in which the Company has its business activities and to ensure that it is not in violation of the laws applicable.

Details of policies and action taken to address the ESG Risk are covered in Business, Responsibility and Sustainability Report as forms Part of Board's Report.

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To The Members of R Systems International Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **R Systems International Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31 December, 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended on that date, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Corporate Governance Report, Management's Discussion and Analysis Report, Business Responsibility and Sustainability Report and Risk Management Report (but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon) The Director's Report including Annexures to Director's Report, Corporate Governance Report, Management's Discussion and Analysis Report, Business Responsibility and Sustainability Report and Risk Management Report is expected to be made available to us after that date.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Corporate Governance Report, Board's Report including Annexures to Director's Report, Management's Discussion and Analysis Report, Business Responsibility and Sustainability Report and Risk Management Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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 not complying with the requirement of audit trail as stated in (i)(vi) below.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt

with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 December, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position. Refer Note 42 (b) to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 19 and 31 to the standalone financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer Note 43(j) to the standalone financial statements.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 43(g) to the standalone 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 43(h) to the standalone financial statements no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013. Refer Note 38 to the standalone financial statements.
- vi. Based on our examination, which included test checks, the Company, has used accounting software for maintaining its books of account for the year ended December 31, 2025, in respect of which:
 - a. the accounting software used during January 1, 2025 to March 31, 2025, has a feature of recording audit trail (edit log) facility and the same has operated at the application level throughout that period for all relevant transactions recorded in the software. However, the audit trail feature was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.;
 - b. a related accounting software used for revenue records during January 1, 2025 to March 31, 2025 did not have a feature of recording audit trail (edit log) facility.
 - c. the accounting software migrated from April 1, 2025, has a feature of recording audit trail (edit log) facility and the same has operated from April

1, 2025, throughout the remaining period for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of the accounting software for the period for which the audit trail feature was operating.

- d. a related accounting software used for payroll records during January 1, 2025 to December 31, 2025 did not have a feature of recording audit trail (edit log) facility.

Refer Note 41 to the standalone financial statements.

Additionally, the audit trail that was enabled and operated for the year ended December 31, 2024, has been preserved by the Company as per the statutory requirements for record retention, as indicated in Note 41 to the standalone financial statements.

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

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

Place : Mumbai

Date : 10 February, 2026

(Membership No. 93474)

(UDIN: 26093474GJMFMB4312)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to standalone 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 standalone financial statements of R Systems International Limited ("the Company") as at 31 December, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 December, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

Place : Mumbai

Date : 10 February, 2026

(Membership No. 93474)

(UDIN: 26093474GJMFMB4312)

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progress, investment property and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Some of the Property, Plant and Equipment, investment property and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, investment property and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deeds and municipal records provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in investment property are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 December, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the revised returns or revised statements for each quarter comprising statement of book debts, statement of sundry creditors and statement of unbilled revenue filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in companies and granted advances in the nature of loans to employees during the year, in respect of which:
- (a) The Company has provided advances (unsecured) in the nature of loans during the year and details of which are given below:

Particulars	Advances in the nature of loans (Rs. in million)
A. Aggregate amount granted / provided during the year: Others (to employees)	4.05
B. Balance outstanding as at balance sheet date in respect of above: Others (to employees)	0.94

- (b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of advances in the nature of loans provided by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation and no interest is charged based on stipulation in respect thereof.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any advance in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable. The Company has not provided any guarantee or security, and has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and has not granted any advances in the nature of loans to companies, firms and Limited Liability Partnerships during the year.
- (iv) The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made. Further, the Company has not granted any loans or provided guarantees or securities that are covered under provisions of Section 185 of the Companies Act, 2013.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Income-tax, Employees' State Insurance, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

We have been informed that the operations of the Company did not give rise to any liability of Sales Tax, Service Tax, Value Added Tax, duty of Custom and duty of Excise during the year.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, cess, and other material statutory dues in arrears as at December 31, 2025 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues of Income Tax which have not been deposited as on 31 December, 2025 on account of disputes are given below:

Name of statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount unpaid (Rs. in million)
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeals), New Delhi	Assessment year 2018-19	27.25 [^]

[^] Net of Rs. 6.55 million paid under protest

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies 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 upto the date of this report.

- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered the internal audit reports, issued to the Company during the year and covering the period upto June 2025 and internal audit report issued after the balance sheet date covering the period July 2025 to December 2025, for the period under audit.

- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) The Company has fully spent the required amount towards 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 Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

Place : Mumbai

Date : 10 February, 2026

(Membership No. 93474)

(UDIN: 26093474GJMFMB4312)

Standalone Balance Sheet as at December 31, 2025

(Rs. in million)

Particulars	Notes	As at December 31, 2025	As at December 31, 2024
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	3 (a)	481.31	309.52
(b) Investment property	3 (b)	12.99	14.47
(c) Right-of-use assets	3 (c)	516.88	403.12
(d) Intangible assets	3 (d)	57.35	2.56
(e) Intangible assets under development	3 (e)	-	40.53
(f) Financial assets			
(i) Investments	4	7,752.48	3,735.22
(ii) Other financial assets	5	118.99	20.57
(g) Deferred tax assets (net)	28	361.56	276.72
(h) Non-current tax assets (net)	28	18.06	19.21
(i) Other non-current assets	6	29.45	37.22
Total non-current assets (A)		9,349.07	4,859.14
B. Current assets			
(a) Financial assets			
(i) Trade receivables	7	1,971.96	1,096.09
(ii) Cash and cash equivalents	8a	555.67	387.15
(iii) Bank balances other than cash and cash equivalents	8b	5.39	6.06
(iv) Other financial assets	9	420.94	649.83
(b) Other current assets	10	409.80	286.36
Total current assets (B)		3,363.76	2,425.49
C. Assets held for sale (C)	37	-	64.00
Total assets (A+B+C)		12,712.83	7,348.63
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	11	118.40	118.31
(b) Other equity	12	6,784.19	5,013.48
Total equity (A)		6,902.59	5,131.79
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	2,691.75	13.01
(ii) Lease liabilities	14	620.97	528.63
(iii) Other financial liabilities	15	15.28	12.18
(b) Provisions	16	483.11	275.19
Total non-current liabilities (B)		3,811.11	829.01
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	454.39	64.32
(ii) Lease liabilities	14	70.23	26.24
(iii) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		11.57	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		219.21	97.92
(iv) Other financial liabilities	19	642.08	554.11
(b) Other current liabilities	20	136.40	220.65
(c) Provisions	21	379.28	270.81
(d) Current tax liabilities (net)	28	85.97	153.78
Total current liabilities (C)		1,999.13	1,387.83
Total liabilities (B+C)		5,810.24	2,216.84
Total equity and liabilities (A+B+C)		12,712.83	7,348.63

Notes forming integral part of the standalone financial statements 1 - 45

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place : Mumbai
Date : February 10, 2026

**For and on behalf of the Board of Directors of
R Systems International Limited**

Nitesh Bansal
Managing Director & Chief Executive Officer
DIN: 10170738

Place : Philadelphia, USA
Date : February 10, 2026

Nand Sardana
Chief Financial Officer
Place : Greater Noida
Date : February 10, 2026

Ruchica Gupta
Chairperson & Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : February 10, 2026

Bhasker Dubey
Company Secretary & Compliance Officer
Place : Greater Noida
Date : February 10, 2026

Standalone Statement of Profit and Loss for the year ended December 31, 2025

(Rs. in million, except per share data)

Particulars	Notes	Year ended December 31, 2025	Year ended December 31, 2024
A. Income			
(i) Revenue from operations	22	11,008.05	9,114.40
(ii) Other income	23	1,075.72	461.75
Total income		12,083.77	9,576.15
B. Expenses			
(i) Employee benefits expense	24	6,941.67	6,152.53
(ii) Finance costs	25	136.09	77.61
(iii) Depreciation and amortisation expense	26	222.87	226.91
(iv) Other expenses	27	1,803.63	1,232.17
Total expenses		9,104.26	7,689.22
C. Profit before exceptional item and tax (A-B)		2,979.51	1,886.93
D Exceptional item			
Impact of New Labour Codes	24	242.61	-
E Profit before tax (C-D)		2,736.90	1,886.93
F Tax expense	28		
(i) Current tax		591.14	457.38
(ii) Deferred tax credit		(82.95)	(56.00)
Total tax expense		508.19	401.38
G Profit for the year (E-F)		2,228.71	1,485.55
H Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(7.51)	(1.98)
Deferred tax relating to re-measurements of the defined benefit plans		1.89	0.50
Total other comprehensive income / (loss)		(5.62)	(1.48)
I Total comprehensive income for the year (G+H)		2,223.09	1,484.07
J Earnings per share (EPS)			
Equity share of par value of Re. 1/- each	29		
Basic		18.83	12.56
Diluted		17.97	11.99

Notes forming integral part of the standalone financial statements 1 - 45

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place : Mumbai
Date : February 10, 2026

**For and on behalf of the Board of Directors of
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Bhasker Dubey
Company Secretary & Compliance Officer
Place : Greater Noida
Date : February 10, 2026

Standalone Statement of Cash Flows for the year ended December 31, 2025

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
A. Cash flows from operating activities		
Profit for the year	2,228.71	1,485.55
Adjustments for:		
Tax expense	508.19	401.38
Depreciation and amortisation expense	222.87	226.91
Provision / (Reversal) for doubtful debts (net)	49.79	(6.75)
Advances written off	12.02	-
Employee share based payment expense	217.30	251.21
Unrealised foreign exchange loss / (gain)	5.83	(10.01)
Unrealised loss on derivative instruments	27.32	65.31
Interest income	(31.60)	(19.14)
Rental income from investment property	(9.00)	(7.86)
Profit on sale / disposal of property, plant and equipment (net)	(434.31)	(0.43)
Liability no longer required written back	(7.97)	(15.94)
Dividend income (refer to Note 36)	(555.25)	(401.73)
Interest expenses	136.09	77.61
Operating profit before working capital changes	2,369.99	2,046.11
Movements in working capital :		
(Increase) / Decrease in trade receivables	(929.23)	(50.32)
(Increase) / Decrease in other assets	58.09	(136.88)
Increase / (Decrease) in provisions	308.87	61.81
Increase / (Decrease) in trade payables and other liabilities	161.74	150.22
Cash generated from operations	1,969.46	2,070.94
Direct taxes paid, net of refunds	(590.77)	(409.35)
Net cash from operating activities (A)	1,378.69	1,661.59
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(310.16)	(55.06)
Purchase of intangible assets	(26.43)	(40.13)
Proceeds from sale of property, plant and equipment (net of capital gain tax) (refer to Note 37)	372.14	9.17
Advance received towards sale of assets (refer to Note 37)	-	70.00
Acquisition of Subsidiary (refer to Note 40)	(4,000.00)	(7.64)
Investment in Subsidiary (refer to Note 4)	(17.26)	-
Payment to erstwhile shareholders of subsidiary	-	(56.67)
Investment in fixed deposits with scheduled banks	(3.15)	(2.37)
Proceeds from fixed deposits with scheduled banks	2.97	246.16
Interest received	29.20	17.55
Rental income from investment property	9.00	7.86
Dividend income (refer to Note 36)	555.25	401.73
Net cash (used in) / from investing activities (B)	(3,388.44)	590.60

Standalone Statement of Cash Flows for the year ended December 31, 2025

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
C. Cash flows from financing activities		
Proceeds from long-term borrowings	16.77	11.12
Proceeds from Non-Convertible Debentures (net of issue expenses) (refer to Note 13)	2,673.80	-
Repayment of long-term borrowings	(13.98)	(14.23)
Proceeds from / (Repayment of) short-term borrowings (net)	390.11	(498.74)
Investment in margin money deposits	-	(0.04)
Payment of lease rentals (refer to Note 14)	(99.56)	(55.44)
Proceeds from exercise of Restricted Stock Units	0.13	-
Interest paid	(72.11)	(25.54)
Interim dividend paid (refer to Note 38)	(710.28)	(1,478.79)
Net cash from / (used in) financing activities (C)	2,184.88	(2,061.66)
Net increase in cash and cash equivalents (A+B+C)	175.13	190.53
Add: Cash and cash equivalents at the beginning of the year	387.15	194.56
Add: Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(6.61)	2.06
Cash and cash equivalents at the end of the year	555.67	387.15

Notes forming integral part of the standalone financial statements 1 - 45

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place : Mumbai
Date : February 10, 2026

**For and on behalf of the Board of Directors of
R Systems International Limited**

Nitesh Bansal
Managing Director & Chief Executive Officer
DIN: 10170738

Place : Philadelphia, USA
Date : February 10, 2026

Nand Sardana
Chief Financial Officer
Place : Greater Noida
Date : February 10, 2026

Ruchica Gupta
Chairperson & Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : February 10, 2026

Bhasker Dubey
Company Secretary & Compliance Officer
Place : Greater Noida
Date : February 10, 2026

Standalone Statement of Changes in Equity for the year ended December 31, 2025

A. Equity share capital

(Rs. in million)

Balance as at January 01, 2025	Changes in equity share capital during the year (refer to Note 11)	Balance as at December 31, 2025
118.31	0.10	118.40
Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
118.31	-	118.31

B. Other equity

(Rs. in million)

Particulars	Share application money pending allotment	Reserves and surplus					Total other equity
		Capital reserve under common control	Capital redempti on reserve	Securities premium account	Share- based payment reserve	Retained earnings	
Balance as at January 01, 2025	-	(0.34)	5.02	-	298.86	4,709.94	5,013.48
Profit for the year	-	-	-	-	-	2,228.71	2,228.71
Other comprehensive income / (loss) for the year*	-	-	-	-	-	(5.62)	(5.62)
Share-based payment expense (refer to Note 11)	-	-	-	-	257.87	-	257.87
Share application money received from employees	0.13	-	-	-	-	-	0.13
Shares issued on exercise of RSUs (refer to Note 11)	(0.10)	-	-	-	-	-	(0.10)
Transferred on account of exercise of RSUs (refer to Note 11)	-	-	-	51.44	(51.44)	-	-
Interim dividend paid (refer to Note 38)	-	-	-	-	-	(710.28)	(710.28)
Balance as at December 31, 2025	0.03	(0.34)	5.02	51.44	505.29	6,222.75	6,784.19
Balance as at January 01, 2024	-	(0.34)	5.02	-	-	4,704.66	4,709.34
Profit for the year	-	-	-	-	-	1,485.55	1,485.55
Other comprehensive income / (loss) for the year*	-	-	-	-	-	(1.48)	(1.48)
Share-based payment expense (refer to Note 11)	-	-	-	-	298.86	-	298.86
Interim dividend paid (refer to Note 38)	-	-	-	-	-	(1,478.79)	(1,478.79)
Balance as at December 31, 2024	-	(0.34)	5.02	-	298.86	4,709.94	5,013.48

*Loss of Rs. 5.62 million and Rs. 1.48 million on remeasurement of defined benefit plans (net of tax) is recognized as a part of retained earnings for the year ended December 31, 2025 and December 31, 2024, respectively.

Notes forming integral part of the standalone financial statements 1 - 45

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

(Membership No. 93474)

Place : Mumbai

Date : February 10, 2026

For and on behalf of the Board of Directors of R Systems International Limited

Nitesh Bansal

Managing Director & Chief Executive Officer

DIN: 10170738

Place : Philadelphia, USA

Date : February 10, 2026

Nand Sardana

Chief Financial Officer

Place : Greater Noida

Date : February 10, 2026

Ruchica Gupta

Chairperson & Non-Executive Independent Director

DIN: 06912329

Place : New Delhi

Date : February 10, 2026

Bhasker Dubey

Company Secretary & Compliance Officer

Place : Greater Noida

Date : February 10, 2026

Notes to Standalone Financial Statements for the year ended December 31, 2025

1. Nature of operations

R Systems International Limited (the 'Company' or 'R Systems') (Corporate Identification Number: L74899DL1993PLC053579) is a public company domiciled in India having its registered office at New Delhi. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. The Company is a leading global provider of technology, artificial intelligence, intelligent process automation services and solutions along with knowledge services. The Company delivers its services and solutions to leading technology companies and businesses to enable their digital transformation. The Company's services and solutions span over six business verticals namely (i) Tech, Internet and Platforms, (ii) Health, (iii) Manufacturing & Logistics (M&L), (iv) Telecom, Media & Entertainment (TME), (v) Banking, Finance & Insurance (BFSI) and (vi) Services - others.

2. Summary of material accounting policies

(a) Basis of preparation and presentation

These standalone financial statements (the 'financial statements') are prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules as amended from time to time and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on accrual and going concern basis and under the historical cost convention except for certain financial instruments, equity settled share-based payment transactions, net defined benefit obligations and other long-term employee benefits which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Based on the nature of services rendered to customers and the time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration of the services rendered, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(b) Functional & presentation currency

The financial statements are presented in Indian Rupee (INR), which is also the Company's functional currency.

(c) Property, plant & equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

When significant parts of an item of property plant and equipment have different useful lives, they are accounted for as separate items (major component) of property plant and equipment. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

An item of property, plant and equipment is derecognized upon disposal or retirement i.e. when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from disposal or retirement of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognized in the Statement of Profit and Loss.

Amounts paid towards the acquisition of property, plant and equipment not received till the reporting date and the cost of property, plant and equipment received but not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP), respectively.

(d) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment and Investment Property, less their estimated residual values using the straight-line method over the useful lives of the assets estimated by the management. The assets residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review and adjusted prospectively.

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives are in align with Part C of Schedule II of the Companies Act 2013.

Notes to Standalone Financial Statements for the year ended December 31, 2025

The management estimates the useful lives are as follows:

Category	Useful life up to
Buildings	30 years
Leasehold land	Lease period
Leasehold improvements	Lower of lease period or useful life
Plant and equipment - air conditioners	5 years
Plant and equipment - other than air conditioners	15 years
Office Equipment (other than end user devices)	5 years
Office Equipment (end user devices such as mobiles, Tablet etc.)	3 years
Computer hardware and network installations (other than end user devices)	6 years
Computer hardware (end-user devices such as desktop, laptop, etc.)	3 years
Furniture and fittings	10 years
Vehicles	8 years
Electrical installation	10 years

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognized on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The management estimates the useful life as follows:

Category	Useful life up to
Computer software	Lower of license period or 5 years

Expenditure incurred during development of intangible assets is included under "Intangible Assets under Development". The same is allocated to the respective items of intangible assets on completion of the project.

(f) Investment property

Investment property consists of land and building held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, land is stated at cost and building at cost less accumulated depreciation in accordance with Ind AS 16's (Property, Plant and Equipment) requirements for cost model. Depreciation on building is recognized so as to write off the cost less residual value over the useful life of 30 years, using the straight-line method.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognized in the statement of profit or loss in the period in which the property is derecognized.

(g) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Offsetting of financial instruments

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

(h) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

- (i) Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
 - the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
 - the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to Standalone Financial Statements for the year ended December 31, 2025

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

- (ii) Investments in equity instruments at FVTOCI
On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee

(iv) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments, other than investment in subsidiary, are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent

changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Company, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(v) Investment in subsidiary companies

Investment in subsidiary companies is measured at cost.

De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- (i) For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- (ii) Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.

Notes to Standalone Financial Statements for the year ended December 31, 2025

- (iii) For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

Write-off policy

The Company reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(i) Financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as:

- Financial liabilities at amortised cost
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. The change in measurements is recognized as finance costs in the Statement of Profit and Loss.
- Financial liabilities at fair value through profit or loss (FVTPL)
Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all change recognized in the Statement of Profit and Loss.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(j) Impairment

i. Financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For trade receivables, the Company recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. Further, the Company considers information developed internally or obtained from external sources indicating that the debtor is unlikely to pay as constituting an event indicating credit impairment.

For other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ii. Impairment of investment in subsidiaries:

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal and its value-in-use (VIU). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

iii. Non-financial assets

The Company's non-financial assets, excluding deferred tax assets, are reviewed at each balance sheet date or whenever there is any indication of impairment based on internal/external factors. If any indications exist, the Company estimates the asset's recoverable amount.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

(k) Derivative financial instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged

Notes to Standalone Financial Statements for the year ended December 31, 2025

item attributable to the hedged risk are recognized in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

Amounts previously recognized in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

(l) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds and interest on lease liabilities. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(m) Leases

Where the Company is a lessee

The Company's lease asset classes primarily consist of office building and furniture. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease concessions received are accounted for as a lease modification and a corresponding adjustment is made to the carrying amount of the related right-of-use asset and lease liability.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

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

Where the Company is a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets comprising land and building which are subject to operating leases are included under non-current assets as investment property and are carried at cost less accumulated depreciation. Lease rental income on an operating lease is recognized as 'Other Income' in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

(n) Revenue

The Company derives revenue primarily from information technology services and business process outsourcing services. The Company recognizes revenue when the performance obligations as promised have been satisfied, transaction price has been determined and when there is no uncertainty as to measurement or collectability of the consideration.

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 these services as distinct

Notes to Standalone Financial Statements for the year ended December 31, 2025

performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable 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.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Arrangements with customers for services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed-price and fixed-timeframe 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. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenue from licenses where the customer obtains a right to use are recognized at the time the licenses is made available to the customers.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as unearned revenues).

Unbilled revenue for fixed price contracts are classified as non-financial asset if the contractual right to consideration is dependent on completion of contractual milestones. Unbilled revenue on contracts other than above is classified as a financial asset.

(o) Other income

Other income includes interest income, dividend income, net gain on foreign exchange fluctuations, rental income and gain on investments. Interest income is recognized on a time proportion basis taking into account the carrying amount and

the effective interest rate. Dividend income is recognized when the Company's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(p) Foreign currency transactions and balances

Foreign currency transactions are recorded in the functional currency of the Company, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined.

Exchange differences

Exchange differences arising on conversion / settlement of foreign currency monetary items and exchange gain / loss on forward contracts are recognized as income or expenses in the Statement of Profit and Loss.

(q) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all related employee benefits. The related risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

- (i) Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences and performance incentives are recognized on undiscounted basis in the year in which the employee renders the related service.
- (ii) The Company's contribution to social security plans such as provident fund, employee state insurance scheme, 401K etc. are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.
- (iii) Gratuity is a defined benefit obligation plan operated by the Company for its employees covered under Company Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date and are charged to the Statement of Profit and Loss except for the

Notes to Standalone Financial Statements for the year ended December 31, 2025

re-measurements comprising of actuarial gains and losses which are recognized in full in the statement of other comprehensive income in the reporting period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss subsequently.

The provision for gratuity recognized in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

(iv) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. The actuarial gains and losses are recognized in the Statement of Profit and Loss. Non-accumulating compensated absences are recognized in the period in which the absences occur.

The Company presents the entire Compensated absences liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(r) Income taxes

Tax expense comprises current and deferred tax. It is recognized in statement of profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except deferred tax liability arising time of transaction. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT credit available is recognized as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. MAT credit asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement" under deferred tax assets.

(s) Segment reporting

The Company determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Each segment item reported is measured at the measure used to report to the CODM for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Inter segment transfers:

The Company generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Notes to Standalone Financial Statements for the year ended December 31, 2025

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

The corporate and other segment includes general corporate income and expense items which are not allocated to any business segment.

(t) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources. The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

(u) Share based payments

The cost of equity-settled transaction is determined by the fair value of the options at the date of the grant and recognized as employee benefits expense over the vesting period. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The expense recognized in the Statement of Profit and Loss for a year represents the movement in cumulative expense recognized as at the beginning and end of that year and is recognized in employee benefits expense. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

(v) Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on

the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(w) Contingent liabilities

A contingent liability is a possible obligation that arises from 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.

(x) Business combinations

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Company are accounted for using pooling of interest method as if the acquisition had occurred at the beginning of the earliest comparative period presented. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the transferor company. The difference, if any, between the share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be recorded as capital reserve and presented separately as capital reserve under common control.

(y) Cash and cash equivalents

Cash and cash equivalents comprises bank balances, cash on hand and short-term deposits with an original maturity period of three months or less.

(z) Assets held for sale

The Company classifies non-current assets as held for sale when it is highly probable that they will be recovered primarily through sale rather than through continuing use. Items of property, plant and equipment, intangible assets and investment property, once classified as non-current assets, are no longer depreciated or amortised. Such assets are presented separately from the other assets in the Balance Sheet. They are measured at lower of their carrying value and fair value less cost to sell.

(aa) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of year. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Notes to Standalone Financial Statements for the year ended December 31, 2025

Critical accounting estimates and judgements

(i) Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

(ii) Income taxes

The Company's major tax jurisdiction is India, though the Company also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes.

The Company reviews carrying amount of deferred tax assets at the end of each reporting period.

(iii) Useful life of property, plant and equipment

The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iv) Leases

The Company considers extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability.

(v) Impairment of investments

The Company reviews its carrying value of investments at each Balance Sheet date, or more frequently when there is an indication that the carrying amount may not be recoverable. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(vi) Employee benefit plans

The present value of provision for gratuity and compensated absence is based on actuarial valuation using the projected unit credit method. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, provision for gratuity and compensated absence is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(vii) Employee share-based payments

The Company measures compensation cost relating to employee share-based payments using the fair valuation method. Fair value of time-based restricted stock units (RSUs) was determined using Black Scholes model. The expected number of performance-based RSUs is determined using Monte Carlo Simulation.

(ab) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest million with two decimals as per the requirement of Schedule III, unless otherwise stated.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Application of new and revised Indian Accounting Standards

- a) On May 07, 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025 effective from May 07, 2025 and amended the following Ind-ASs:
 - Amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates.
- b) On August 13, 2025, MCA issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 effective from August 13, 2025 and amended the following Ind-AS:
 - Amendments to Ind AS 101 -- First Time Adoption
 - Amendments to Ind AS 107 -- Financial Instruments: Disclosures
 - Amendments to Ind AS 1 -- Preparation of Financial Statements
 - Amendments to Ind AS 7 -- Statement of Cash Flows
 - Amendments to Ind AS 10 -- Events after Reporting Period
 - Amendments to Ind AS 12 -- Income Taxes
 - Amendments to Ind AS 28 -- Investments in Associates and Joint Ventures

These amendments do not have any material impact on the Standalone Financial Statements of the Company.

Amendments issued during the year which are not yet effective.

There are no new amendments which has been issued during the year and are not yet effective.

Notes to Standalone Financial Statements for the year ended December 31, 2025

3 (a). Property, plant and equipment

(Rs. in million)									
Particulars	Buildings	Leasehold improvements	Plant and equipment	Electric installation	Furniture and fittings	Computer hardware	Vehicles ¹	Office equipment	Total
At cost									
Gross block									
As at January 01, 2024	85.77	-	63.80	20.09	81.10	1,000.97	112.54	50.33	1,414.60
Additions	-	-	2.63	-	0.47	76.56	19.44	2.02	101.12
Classified as held for sale	(85.77)	-	(49.38)	(17.89)	(75.56)	(17.52)	-	(19.60)	(265.72)
Deletions	-	-	(3.30)	(1.84)	(4.71)	(138.19)	(23.85)	(8.54)	(180.43)
As at December 31, 2024	-	-	13.75	0.36	1.30	921.82	108.13	24.21	1,069.57
Additions	-	36.37	9.15	4.84	3.40	228.67	29.19	12.13	323.75
Deletions	-	-	(0.88)	(0.02)	(0.03)	(138.92)	(16.60)	(6.24)	(162.69)
As at December 31, 2025	-	36.37	22.02	5.18	4.67	1,011.57	120.72	30.10	1,230.63
Accumulated depreciation									
As at January 01, 2024	46.56	-	41.51	19.26	77.56	696.77	40.09	42.20	963.95
Charge for the year	3.19	-	4.38	0.23	0.76	152.10	13.54	3.88	178.08
Classified as held for sale	(49.75)	-	(34.54)	(17.49)	(74.01)	(17.51)	-	(19.40)	(212.70)
Deletions	-	-	(2.99)	(1.82)	(3.81)	(137.81)	(14.70)	(8.15)	(169.28)
As at December 31, 2024	-	-	8.36	0.18	0.50	693.55	38.93	18.53	760.05
Charge for the year	-	0.64	2.52	0.27	0.57	121.69	14.69	3.09	143.47
Deletions	-	-	(0.71)	(0.01)	(0.02)	(137.44)	(10.55)	(5.47)	(154.20)
As at December 31, 2025	-	0.64	10.17	0.44	1.05	677.80	43.07	16.15	749.32
Net block									
As at December 31, 2024	-	-	5.39	0.18	0.80	228.27	69.20	5.68	309.52
As at December 31, 2025	-	35.73	11.85	4.74	3.62	333.77	77.65	13.95	481.31

Notes:

(1) Gross block of vehicles amounting to Rs. 64.85 million (as at December 31, 2024 : Rs. 56.72 million) are hypothecated against terms loans for vehicle financed from a non-banking financial corporation. Also refer to Note 13.

Notes to Standalone Financial Statements for the year ended December 31, 2025

3 (a). Property, plant and equipment (Contd.)

(2) Capital work in progress:

Movement during the year:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening balance	-	-
Addition during the year	128.19	53.37
Transferred to property, plant and equipment	(128.19)	(53.37)
Closing balance	-	-

(3) Refer to Note 42 for Capital Commitment.

3 (b). Investment property

(Rs. in million)

Particulars	Land	Building	Total
At cost			
Gross block			
As at January 01, 2024	4.77	31.19	35.96
Additions	-	-	-
Deletions	-	-	-
As at December 31, 2024	4.77	31.19	35.96
Additions	-	-	-
Deletions	-	-	-
As at December 31, 2025	4.77	31.19	35.96
Accumulated depreciation			
As at January 01, 2024	-	20.00	20.00
Charge for the year	-	1.49	1.49
Deletions	-	-	-
As at December 31, 2024	-	21.49	21.49
Charge for the year	-	1.48	1.48
Deletions	-	-	-
As at December 31, 2025	-	22.97	22.97
Net block			
As at December 31, 2024	4.77	9.70	14.47
As at December 31, 2025	4.77	8.22	12.99

Measurement of fair values

Investment property consists of freehold land and building situated at Pune, India and is accounted for at cost. There is no impairment in respect of the investment property.

The Company has estimated that the fair value of investment property is Rs. 120.00 million (Previous year: Rs. 110.60 million). The fair value of the same is as assessed by an independent valuer registered under Rule 2 the Companies (Registered Valuers and Valuation) Rules, 2017, as amended from time to time, using market comparable approach that reflects recent transaction prices for similar properties. The valuation method is categorised as level 2 measurement in the fair value hierarchy. For fair value hierarchy refer to note 30.

The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repair, maintenance or enhancements.

The rental income generated from the investment property is Rs. 9.00 million (previous year: Rs. 7.86 million).

The expenses incurred by the Company in relation to investment property are as follows:

- (i) Directly relating to rental income - Rs. Nil (previous year: Rs. Nil)
- (ii) Not directly relating to rental income - Rs. 0.27 million (previous year: Rs. 0.38 million)

Notes to Standalone Financial Statements for the year ended December 31, 2025

3 (c). Right-of-use assets

(Rs. in million)

Particulars	Land Leasehold	Building	Computer hardware	Furniture and fittings	Total
At cost					
Gross block					
As at January 01, 2024	15.30	498.32	0.97	106.89	621.48
Additions	-	-	-	-	-
Modification of lease	-	(12.89)	-	(2.87)	(15.76)
Classified as held for sale	(15.30)	-	-	-	(15.30)
Retirement on completion /termination of lease	-	(0.59)	(0.97)	-	(1.56)
As at December 31, 2024	-	484.84	-	104.02	588.86
Additions	-	186.42	-	-	186.42
Modification of lease	-	(4.55)	-	(1.02)	(5.57)
As at December 31, 2025	-	666.71	-	103.00	769.71
Accumulated depreciation					
As at January 01, 2024	4.16	106.41	0.88	36.21	147.66
Charge for the year	0.16	33.60	0.09	10.11	43.96
Classified as held for sale	(4.32)	-	-	-	(4.32)
Retirement on completion /termination of lease	-	(0.59)	(0.97)	-	(1.56)
As at December 31, 2024	-	139.42	-	46.32	185.74
Charge for the year	-	57.50	-	9.59	67.09
As at December 31, 2025	-	196.92	-	55.91	252.83
Net block					
As at December 31, 2024	-	345.42	-	57.70	403.12
As at December 31, 2025	-	469.79	-	47.09	516.88

3 (d). Intangible assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Software (at cost)		
Gross block		
Balance at beginning of the year	20.40	56.72
Additions	65.62	-
Deletions	(3.33)	(36.32)
Balance at the end of year	82.69	20.40
Accumulated amortisation		
Balance at beginning of the year	17.84	50.78
Charge for the year	10.83	3.38
Deletions	(3.33)	(36.32)
Balance at the end of year	25.34	17.84
Net block	57.35	2.56

Notes to Standalone Financial Statements for the year ended December 31, 2025

3 (e). Intangible assets under development ageing schedule

(Rs. in million)

Projects in progress	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2025	-	-	-	-	-
As at December 31, 2024	40.53	-	-	-	40.53

As on the date of the balance sheet, there is no intangible asset under development whose completion is overdue or has exceeded the cost, based on approved plan.

Movement during the year:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening balance	40.53	-
Addition during the year	25.09	40.53
Transferred to Intangible assets - Software	(65.62)	-
Closing balance	-	40.53

4. Investments

(Rs. in million)

Particulars	As at December 31, 2025		As at December 31, 2024	
A. Non-current investments				
Unquoted investments (fully paid), measured at FVTPL				
(i) Investment in Saraswat Co-operative Bank Ltd 2,500 (previous year 2,500) shares of Rs. 10 each fully paid up		0.03		0.03
Total investment measured at FVTPL		0.03		0.03
Investment in subsidiaries, measured at cost				
(i) Investment in R Systems, Inc., USA 2,150 (previous year 2,150) shares of "no par" value		281.17		281.17
(ii) Investment in R Systems (Singapore) Pte. Ltd., Singapore 5,780,768 (previous year 5,780,768) ordinary shares of "no par" value		274.56		274.56
(iii) Investment in R Systems Technologies Limited, USA 243,750 (previous year 243,750) common stock of "no par" value		10.79		10.79
(iv) Investment in R Systems Consulting Services Limited, Singapore 63,891,260 (previous year 63,891,260) ordinary shares of "no par" value	36.34		36.34	
Less: Impairment in the value of investment	(5.53)	30.81	(5.53)	30.81
(v) Investment in R Systems Computaris International Limited, UK 66,500 (previous year 66,500) ordinary shares of GBP 0.01 each fully paid up		350.63		350.63
(vi) Investment in RSYS Technologies Limited, Canada 200 (previous year 200) Class A common shares of CAD 1 each fully paid up 25 (previous year 25) Class B preferred shares of CAD 3,992 each fully paid up 375 (previous year 375) Class B preferred shares of CAD 4,000 each fully paid up		85.85		85.85
(vii) Investment in Velotio Technologies Private Limited, India (refer to Note 39) 110,813 (previous year 110,813) equity shares of Re. 1 each fully paid up		2,693.74		2,693.74
(viii) Investment in RSIL Mexico, S. de R.L. de C.V., United Mexican States Equity interest: a. Fixed capital stock amounting to MXN 999 (previous year MXN 999) b. Variable Capital Stock amounting to MXN 5,568,523 (previous year MXN 1,814,823) (refer to Note 2 below)		24.90		7.64
(ix) Investment in Novigo Solutions Private Limited, India (refer to Note 40) 997,400 (previous year Nil) equity shares of Rs. 10 each fully paid up		4,000.00		-
Total investments measured at cost		7,752.45		3,735.19
Aggregate carrying value of Non-current unquoted investments		7,752.48		3,735.22
Impairment in the value of investment		5.53		5.53

Notes to Standalone Financial Statements for the year ended December 31, 2025

4. Investments (Contd.)

Notes:

- The Company had granted loans aggregating to Rs. 152.00 million (SGD 3.80 million) to R Systems Consulting Services Limited (formerly known as ECnet Limited) a subsidiary of the Company. These loans were disbursed over the period 2004 to 2010. R Systems Consulting Services Limited had accumulated losses which were in excess of its share capital as at 31 December, 2010.

During the year ended 31 December, 2010, the Board of Directors had approved a scheme for corporate restructuring of its two subsidiaries based in Singapore viz R Systems Consulting Services Limited (formerly known as ECnet Limited) and R Systems (Singapore) Pte Limited. The proposed corporate restructuring involves conversion of loan by the Company to R Systems Consulting Services Limited (formerly known as ECnet Limited) into equity investment and thereafter amalgamation of both these subsidiaries.

During the year ended December 31, 2011, the loan of Rs. 152.00 million (SGD 3.80 million) given by the Company to R Systems Consulting Services Limited (formerly known as ECnet Limited) was converted into equity share of R Systems Consulting Services Limited at the fair value of Rs Nil. Further, in subsequent years the proposed amalgamation was called off.

The Company had prepared its first financial statements as per India Accounting Standards (Ind AS) for the year ended December 31, 2018. In accordance with Ind AS 101, the Company had availed exemption in respect of investments in subsidiaries whereby the Company had opted to value its investments in subsidiaries as per previous GAAP and use the cost as per previous GAAP at the date of transition as deemed cost. The Company had valued the above-mentioned investments as at 01 January, 2017 at Rs. Nil and was consequently not included in the value of investments made in R Systems Consulting Services Limited.

- The Company had set up a wholly owned subsidiary in United Mexican States, named RSIL Mexico, S. de R.L. de C.V. on October 09, 2024. During the year ended December 31, 2025, the Company made a further investment of USD 200,000 (MXN 3,753,700) in the variable portion of the share capital of the subsidiary.

Details of principal place of business of subsidiaries and proportion of ownership interest:

Name of subsidiary	Relation	Country of incorporation	Ownership interest*	
			As at December 31, 2025	As at December 31, 2024
R Systems, Inc.	Subsidiary	USA	100%	100%
R Systems (Singapore) Pte. Limited	Subsidiary	Singapore	100%	100%
R Systems Technologies Limited	Subsidiary	USA	100%	100%
R Systems Consulting Services Limited	Subsidiary	Singapore	99.75%	99.75%
R Systems Computaris International Limited	Subsidiary	UK	100%	100%
RSYS Technologies Ltd.	Subsidiary	Canada	100%	100%
Velotio Technologies Private Limited	Subsidiary	India	100% outstanding equity capital	100% outstanding equity capital
RSIL Mexico, S. de R.L. de C.V.	Subsidiary	United Mexican States	100%	100%
Novigo Solutions Private Limited (refer to Note 40)	Subsidiary	India	100% outstanding equity capital	-

*Ownership interest includes interest held directly and indirectly through subsidiary companies.

Notes to Standalone Financial Statements for the year ended December 31, 2025

5. Other non-current financial assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Security deposits	40.65	19.78
Margin money deposits (refer to Note 8b)	0.64	0.60
Interest accrued on bank deposits	0.01	0.02
Staff advance	0.06	0.17
Recoverable from subsidiaries towards RSU (refer to Note 35)	77.63	-
	118.99	20.57

6. Other non-current assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Prepaid expenses	29.45	37.22
	29.45	37.22

7. Trade receivables

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good	1,971.96	1,096.09
Unsecured, credit impaired	94.06	40.86
Less: Allowance for doubtful debts (expected credit loss allowance)	(94.06)	(40.86)
	1,971.96	1,096.09
Related party balances (Refer to Note 35)	378.66	124.18

(Rs. in million)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2025							
Undisputed, considered good	1,097.33	874.29	0.34	-	-	-	1,971.96
Undisputed, credit impaired	4.82	35.47	17.98	30.78	0.35	-	89.40
Disputed, credit impaired	-	0.79	3.37	0.50	-	-	4.66
As at December 31, 2024							
Undisputed, considered good	892.69	199.97	1.04	2.39	-	-	1,096.09
Undisputed, credit impaired	7.94	16.75	15.36	0.34	-	-	40.39
Disputed, credit impaired	-	-	0.47	-	-	-	0.47

Notes to Standalone Financial Statements for the year ended December 31, 2025

7. Trade receivables (Contd.)

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date.

Particulars	Ageing*			
	Not due - 90 days	90-180 days	180-365 days	More than 365 days
Default rate as at December 31, 2025	0.04%	0.47%	0.91%	2.00%
Default rate as at December 31, 2024	0.03%	0.37%	0.70%	2.00%

*In case of probability of non-collection, credit loss rate is 100%

Movement in expected credit loss allowance:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Balance at the beginning of the year	40.86	104.85
Provision / (Reversal) for doubtful debts (net)	49.79	(6.75)
Bad debts written off	-	(57.29)
Effect of foreign exchange fluctuation	3.41	0.05
Balance at the end of the year	94.06	40.86

8a. Cash and cash equivalents

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
(a) Cash on hand	0.08	0.14
(b) Balances with scheduled banks		
(i) in current accounts	18.52	13.78
(ii) in EEFC accounts	214.35	110.02
(iii) in deposit accounts with original maturity of less than 3 months	-	90.06
(c) Balances with other banks		
(i) in current accounts	322.72	173.15
	555.67	387.15

8b. Bank balances other than cash and cash equivalents

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
(a) In other deposit accounts		
(i) original maturity more than 12 months	2.51	-
(ii) original maturity more than 3 months but less than 12 months	-	2.36
(iii) held as margin money	0.64	0.60
Deposits with banks	3.15	2.96
Less: Bank deposits with original maturity of more than 12 months disclosed under Note 9	(2.51)	-
Less: Margin money deposit disclosed under Note 5	(0.64)	(0.60)
	-	2.36
(b) Balances with scheduled banks		
(i) in unclaimed dividend accounts	5.39	3.70
	5.39	6.06

Notes to Standalone Financial Statements for the year ended December 31, 2025

9. Other current financial assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Staff advance	0.88	1.57
Recoverable from related parties*	8.52	50.03
Unbilled revenue (refer to Note 22)*	404.09	583.97
Security deposits	0.71	11.35
Bank deposits with original maturity of more than 12 months (refer to Note 8b)	2.51	-
Others	4.23	2.91
	420.94	649.83
*Related party balances (Refer to Note 35)		
Recoverable from related parties	8.52	50.03
Unbilled revenue	39.07	76.60
	47.59	126.63

10. Other current assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Balance with indirect tax authorities	96.46	107.09
Unbilled revenue (refer to Note 22)*	134.40	22.35
Prepaid expenses	168.02	148.28
Advance to vendors	9.72	6.81
Tour and travel advance	1.20	1.83
	409.80	286.36
*Related party balances (Refer to Note 35)	3.15	4.96

11. Equity share capital

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Authorised		
206,000,000 (December 31, 2024: 206,000,000) equity shares of Re. 1 each	206.00	206.00
Issued, subscribed and fully paid up		
118,403,582 (December 31, 2024: 118,303,445) equity shares of Re. 1 each	118.40	118.31
	118.40	118.31

Notes:

(a) Reconciliation of number of shares and amount of share capital outstanding at the beginning and at the closing of the year:

Particulars	Year ended December 31, 2025		Year ended December 31, 2024	
	Number of shares	Rs. in million	Number of shares	Rs. in million
At the beginning of the year	118,303,445	118.31	118,303,445	118.31
Changes during the year	100,137	0.10	-	-
Outstanding at the closing of the year	118,403,582	118.40	118,303,445	118.31

Notes to Standalone Financial Statements for the year ended December 31, 2025

11. Equity share capital (Contd.)

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company :

Particulars	As at December 31, 2025	As at December 31, 2024
BCP Asia II TOPCO II Pte Ltd.	61,433,005	61,433,005

No shares are held by the ultimate holding company. Refer to Note 35 with respect to ultimate holding company.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

i. Shares issued pursuant to merger of RightMatch Holdings Limited:

The scheme of amalgamation was approved by Hon'ble National Company Law Tribunal, New Delhi vide order dated February 01, 2021 and the Supreme Court of Mauritius vide order dated September 14, 2020 and amended order dated September 21, 2020, between RightMatch Holdings Limited (RightMatch) and the Company and their respective shareholders and creditors. Pursuant to the necessary filing with appropriate statutory authorities in India and Mauritius, the scheme became effective on March 09, 2021 and 8,828,489 fully paid equity shares of the face value of Re. 1/- each of the Company were issued and allotted to the equity shareholders of RightMatch in the proportion of their respective equity shareholding in RightMatch and equivalent number of shares of the Company as held by RightMatch were cancelled and extinguished.

ii. Shares bought back:

During the year ended December 31, 2021, the Company bought back 1.33 million equity shares of Re. 1 each at a price of Rs. 225/- per equity share, payable in cash for a total consideration of Rs. 299.93 million by utilising the securities premium account of Rs. 46.66 million, general reserve of Rs. 155.04 million and retained earnings to the extent of 96.90 million. The capital redemption reserve was created out of retained earnings for Rs. 1.33 million being the nominal value of equity shares bought back in terms of Section 68 of the Companies Act, 2013. The equity shares bought back were extinguished on October 14, 2021. Further, the Company has apportioned Rs. 69.87 million out of retained earnings towards tax on aforesaid buy-back.

(e) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at December 31, 2025		As at December 31, 2024	
	No. of shares held	% of Holding	No. of shares held	% of Holding
BCP Asia II TOPCO II Pte Ltd.	61,433,005	51.88%	61,433,005	51.93%
Bhavook Tripathi	24,255,235	20.49%	24,313,676	20.55%

As per secretarial 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.

(f) Shareholding of promoters

Name of promoter	As at December 31, 2025		As at December 31, 2024		Percentage change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
BCP Asia II TOPCO II Pte Ltd.	61,433,005	51.88%	61,433,005	51.93%	-

Notes to Standalone Financial Statements for the year ended December 31, 2025

11. Equity share capital (Contd.)

(g) Employees Stock Option Plan:

On November 15, 2023 Shareholders of the Company, upon approval of the Board of Directors of the Company and recommendation of the Nomination, Remuneration and Compensation Committee ("NRCC"), have approved R Systems International Limited Management Incentive Plan 2023 ("Plan") to grant the eligible employees of the Company and its subsidiaries, such number of employee stock options ("Options") and restricted stock units ("RSUs") exercisable into not more than 8,000,000 (Eight million) equity shares of face value Re. 1/- each.

The Plan is implemented and administered by the NRCC. RSUs shall vest into one equity share as per the terms and conditions mentioned in the Plan at an exercise price of Re. 1 per share.

During the year ended December 31, 2025, the NRCC has approved the grant of 805,380 (previous year 5,907,586) RSUs under the plan to the identified employees of the Company and its subsidiaries. Further, during the year ended December 31, 2025, the Company has allotted 100,137 equity shares (previous year: NIL) pursuant to exercise of 100,137 RSUs.

Further, the Company has transferred an amount of Rs. 51.44 million from share-based payment reserve to securities premium account being the share based payment expense pertaining to equity shares allotted during the year.

Based upon the vesting criteria, the RSU's have been classified as time-based RSU's and performance-based RSU's.

Time-based RSUs:

In case of time-based RSUs, the vesting period is 60 months (20% vesting in each year) commencing from the date of grant as per the vesting schedule.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2025	Year ended December 31, 2024
Outstanding at the beginning of the year	538,244	-
Granted during the year	82,557	579,114
Exercised during the year	(100,137)	-
Forfeited / lapsed / surrendered	(77,816)	(40,870)
Outstanding at the end of the year	442,848	538,244
Weighted average remaining contractual life at the end of the year	1.74 years	2.05 years

The weighted average fair value of time-based RSUs on the date of grant is Rs. 402.72 (previous year Rs. 498.60). The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Inputs	Options granted during the year ended December 31, 2025	Options granted during the year ended December 31, 2024
Weighted average share price on the date of grant	Rs. 424.60	Rs. 518.74
Exercise price	Re. 1	Re. 1
Expected volatility (in %)*	37.71% to 46.54%	33.3% to 48.36%
Life of RSUs granted during the year	5 years i.e. 20% vesting at the end of each year from the date of grant	5 years i.e. 20% vesting at the end of each year from the date of grant
Exercise period [#]	5 years	5 years
Expected Dividend yield (in %)	1.70%	1.70%
Risk-free interest rate (in %)	5.57% to 6.57%	6.48% to 7.03%

*Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#]RSUs shall be automatically exercised upon vesting.

Notes to Standalone Financial Statements for the year ended December 31, 2025

11. Equity share capital (Contd.)

Performance-based RSUs (market based performance conditions):

The vesting of Performance-based RSUs will be determined subject to satisfaction of the performance obligations as stated under the Plan.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2025	Year ended December 31, 2024
Outstanding at the beginning of the year	5,186,461	-
Granted during the year	686,823	5,328,472
Exercised during the year	-	-
Forfeited / lapsed / surrendered	(406,507)	(142,011)
Outstanding at the end of the year	5,466,777	5,186,461
Weighted average remaining contractual life at the end of the year	4.36 years	5.36 years

In order to determine total performance-based RSUs that are possible to vest i.e. fulfilment of the performance obligations, Monte Carlo Simulation ("MCS") method has been used. As per the MCS method, the external valuer has arrived that the performance obligation will be fulfilled by May 10, 2030 and 50% of the performance-based RSUs will vest. Various assumptions/inputs used for valuation exercise is given below:

Inputs	Options granted during the year ended December 31, 2025	Options granted during the year ended December 31, 2024
Weighted average share price on the date of grant	Rs. 443.61	Rs. 521.94
Exercise price	Re. 1	Re. 1
Expected volatility (in %)*	44.50% to 47.50%	47.30% to 48.30%
Expected Life of RSUs and exercise period [#]	4.36 years	5.36 years
Expected dividend yield (in %)	1.70%	1.70%
Risk-free interest rate (in %)	6.00% to 6.60%	6.70% to 7.00%

*Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#]RSUs shall be automatically exercised upon vesting.

Performance-based RSUs (non-market based performance conditions):

The vesting of Performance-based RSUs will be subject solely to the employee's individual performance for each vesting year. The RSUs will vest over a 48-month period, with 25% vesting each year, provided that the employee meets the required performance criteria for the respective year.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2025
Outstanding at the beginning of the year	-
Granted during the year	36,000
Exercised during the year	-
Forfeited / lapsed / surrendered	-
Outstanding at the end of the year	36,000
Weighted average remaining contractual life at the end of the year	2.37 years

Notes to Standalone Financial Statements for the year ended December 31, 2025

11. Equity share capital (Contd.)

The weighted average fair value of Performance-based RSUs (non-market based performance conditions) on the date of grant is Rs. 312.68. The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Inputs	Options granted during the year ended December 31, 2025
Weighted average share price on the date of grant	Rs. 409.60
Exercise price	Re. 1
Expected volatility (in %)*	36.60% to 42.50%
Life of RSUs granted during the year	4 years i.e. 25% vesting at the end of each year from the date of grant
Exercise period [#]	4 years
Expected Dividend yield (in %)	1.70%
Risk-free interest rate (in %)	5.60% to 6.10%

*Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#]RSUs shall be automatically exercised upon vesting.

During the year ended December 31, 2025, the Company has recorded Rs. 217.30 million as share based payment expense relating to RSUs granted to its employees and Rs. 40.57 million as recoverable from subsidiary companies for RSUs granted to their employees.

During the year ended December 31, 2024, the Company has recorded Rs. 251.21 million as share based payment expense relating to RSUs granted to its employees and Rs. 47.65 million as recoverable from subsidiary companies for RSUs granted to their employees.

Subsequent to the year ended December 31, 2025, the Company has allotted 60,495 equity shares of Re. 1/- each on January 17, 2026, upon the exercise of 60,495 RSUs under the Plan.

(h) Also refer to Note 39 and 40.

12. Other equity

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
a. Share application money pending allotment Share application money pending allotment represents amounts received from employees pursuant to exercise of RSUs. It will be transferred to share capital account upon allotment.	0.03	-
b. Capital reserve under common control Capital reserve under common control represent reserves recorded upon business transfer under common control.	(0.34)	(0.34)
c. Capital redemption reserve Capital redemption reserve was created by transfer from general reserve of an amount equal to the nominal value of equity shares bought back by the Company. It is utilised in accordance with the provisions of the Companies Act, 2013.	5.02	5.02
d. Securities premium Securities premium is used to record premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.	51.44	-
e. Share-based payment reserve The share-based payment reserve account is used to record the value of equity-settled share based payment transactions with the employees of the Company/subsidiaries. The amounts recorded in this account are transferred to securities premium account upon exercise of stock options by the employees.	505.29	298.86
f. Retained earnings Retained earnings comprises the Company's undistributed earnings after taxes.	6,222.75	4,709.94
Other equity	6,784.19	5,013.48

Note:

(1) Year-wise movement of the individual line items above is given in the Standalone Statement of Changes in Equity.

Notes to Standalone Financial Statements for the year ended December 31, 2025

13. Borrowings (non-current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Secured borrowings - at amortised cost		
Term loans		
- Motor vehicle loan from non banking financial corporation (refer to Note 1 below)	27.26	24.47
Less:		
Current maturities of term loans (disclosed under Note 17)	11.42	11.46
Total - Secured borrowings (A)	15.84	13.01
Unsecured borrowings - at amortised cost		
Non-convertible debentures (refer to Note 2 below)	2,675.91	-
Total - Unsecured borrowings (B)	2,675.91	-
Total borrowing (A+B)	2,691.75	13.01

Notes:

- Motor vehicle loans are secured by hypothecation of underlying motor vehicles and carries interest rate ranging from 7.45% to 9.63% (previous year 7.30% to 9.63%) per annum. The term loans are repayable in equated monthly instalments ranging from 36 to 60 months from the date of loan.
- During the year, the Company issued 27,500 listed, rated, unsecured, senior, redeemable, non-convertible debentures ("NCDs") of the face value of Rs. 1 Lakh each, aggregating to Rs. 2,750.00 million @9.75% p.a. through private placement which were allotted on November 11, 2025. The interest is payable quarterly and first interest payment was made by the due date of December 31, 2025. The NCD's are repayable in equal semi-annual instalments of Rs. 458.33 million commencing from the end of the 30th month from the date of allotment. The NCD's are listed on BSE Limited. The proceeds of NCD's were utilised for the part payment of the acquisition of 100% equity shares of Novigo Solutions Private Limited. The NCD's were recognized net of transaction cost of Rs. 76.20 million.

14. Lease liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Non-current	620.97	528.63
Current	70.23	26.24
	691.20	554.87

Movement schedule of lease liabilities is as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening balance	554.87	571.48
Additions during the year	180.48	-
Modification of lease	(5.56)	(15.76)
Interest accrued on lease liability	60.46	54.63
Payment of lease rental	(99.56)	(55.44)
Effect of foreign exchange fluctuation	0.51	(0.04)
Closing balance	691.20	554.87

Notes to Standalone Financial Statements for the year ended December 31, 2025

14. Lease liabilities (Contd.)

Amounts with respect to leases recognized in the Statement of Profit & Loss:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Interest expense on lease liabilities (refer to Note 25)	60.46	54.63
Depreciation on right-of-use assets (refer to Note 26)	67.09	43.96
Expenses relating to short-term leases	15.77	21.80
Expenses relating to leases of low-value assets	0.32	0.28
Rental income from subsidiary companies (refer to Note 23)	4.54	-

Lease liabilities and corresponding Right-of-use assets (ROU) represent office building and furniture taken on lease for carrying out business operations. Refer to Note 3(c) for ROU asset schedule disclosing the class wise addition made during the year along with the carrying amount as at the end of the reporting period.

Contractual maturities of lease liabilities has been disclosed in Note 31.

15. Other non-current financial liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Security deposits	15.28	12.18
	15.28	12.18

16. Provisions (non-current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits		
- Gratuity	483.11	275.19
	483.11	275.19

Refer to Note 24 for detailed disclosures for gratuity.

17. Borrowings (current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Secured borrowings - at amortised cost		
Cash credit facility from scheduled banks (refer Notes below)		
ICICI Bank Limited	246.48	52.86
Axis Bank Limited	196.49	-
Current maturities of motor vehicle loans	11.42	11.46
	454.39	64.32

Notes:

- (1) Cash credit facilities are secured by first pari-passu charge by way of hypothecation on entire current assets of the Company present and future.
- (2) Cash credit facility from ICICI Bank Limited is repayable on demand and carries interest @ 6 months I-MCLR.
- (3) Cash credit facility from Axis Bank Limited is repayable on demand and carries interest @ 1 month MCLR plus spread of 0.10% per annum.

Notes to Standalone Financial Statements for the year ended December 31, 2025

18. Trade payables

Trade payable ageing schedule:

(Rs. in million)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2025					
Micro enterprises and small enterprises	11.57	-	-	-	11.57
Others	48.35	-	-	-	48.35
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	59.92	-	-	-	59.92
Unbilled dues					170.86
Total					230.78
As at December 31, 2024					
Micro enterprises and small enterprises	-	-	-	-	-
Others	13.90	-	-	-	13.90
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	13.90	-	-	-	13.90
Unbilled dues					84.02
Total					97.92

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Related party balances (Refer to Note 35)	76.35	-

Dues to micro enterprises and small enterprises

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	11.57	Nil
The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

Notes to Standalone Financial Statements for the year ended December 31, 2025

19. Other current financial liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Payable to subsidiary companies (refer to Note 35)	7.37	81.57
Security deposits received	15.08	13.37
Unclaimed dividend	5.39	3.70
Mark-to-market loss on derivative instruments (refer to Note 31)	82.77	55.45
Employee benefits payable	491.63	383.68
Capital creditors	31.05	0.71
Advance from customers	3.63	11.93
Interest accrued but not due	1.81	0.39
Other financial liabilities	3.35	3.31
	642.08	554.11

20. Other current liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Statutory dues payable	102.01	101.62
Unearned revenues (refer to Note 22)*	34.39	49.03
Advance against sale of building (refer to Note 37)	-	70.00
	136.40	220.65
*Related party balances (Refer to Note 35)	-	10.81

21. Provisions (current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits		
- Gratuity	81.32	35.60
- Compensated absence	297.96	235.21
	379.28	270.81

Refer to Note 24 for detailed disclosures for gratuity.

22. Revenue from operations

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Sale of services	11,008.05	9,114.40
	11,008.05	9,114.40

Disaggregate revenue information

The table below presents disaggregated revenues from the Company's contracts with customers by geography and customer's industry type. The Company believes this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Notes to Standalone Financial Statements for the year ended December 31, 2025

22. Revenue from operations (Contd.)

Revenue by geography:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Americas	9,464.71	8,044.24
APAC	880.48	542.00
Europe	580.55	434.35
MEA	82.31	93.81
	11,008.05	9,114.40

Revenue by customer's industry type :

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Tech, Internet and Platforms	2,508.81	2,308.96
Health	1,933.01	1,530.56
Manufacturing & Logistics (M&L)	1,406.44	1,132.28
Telecom, Media & Entertainment (TME)	816.90	883.55
Banking, Finance & Insurance (BFSI)	1,113.74	840.45
Services - others	3,229.15	2,418.60
	11,008.05	9,114.40

Trade receivables and contract balances

The company classifies the right to consideration in exchange for deliverables as either receivable or as unbilled revenue.

Revenue for time and material contracts are recognized as related service are performed. Revenue for fixed price maintenance contracts is recognized on a straight line basis over the period of contract. Revenue in excess of billing is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in the contract. This would result in timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial assets as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings is classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in Balance Sheet.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosures provide the aggregate amount of transaction price yet to be recognized as of the end of the reporting period and an explanation as to when the Company expects to recognize these amounts as revenue. Applying the practical expedients as given in Ind AS 115 Revenue from contracts with customers, the Company has not disclosed the remaining performance obligations related disclosures where the revenue recognized corresponds directly with the value to customer of the entity's performance completed to date, typically those contracts where invoicing is on the basis of time-and-material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment of revenue that has not materialised and adjustments for currency.

Disclosure relating to remaining performance obligation relating to fixed bid price contracts require the aggregate amounts of transaction price yet to be recognized as revenue at the reporting date and expected timelines to recognize these amounts. In view of the fact that all outstanding contracts have an original expected duration for completion of less than a year no disclosure is warranted.

Notes to Standalone Financial Statements for the year ended December 31, 2025

23. Other income

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Interest income on		
- Bank deposits	26.46	14.90
- Financial instruments measured at amortised cost	2.39	1.63
- Others	2.75	2.61
Dividend received from subsidiaries (refer to Note 35)	555.25	401.73
Liability no longer required written back	7.97	15.94
Rental income from investment property [refer to Note 3(b)]	9.00	7.86
Rental income from subsidiary companies (refer to Note 35)	4.54	-
Reversal of provision for doubtful debts (net)	-	6.75
Profit on sale of property, plant and equipment (net) (refer to Note 37)	434.31	0.43
Miscellaneous income	33.05	9.90
	1,075.72	461.75

24. Employee benefits expense

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Salaries, wages and bonus	6,271.78	5,510.84
Gratuity expenses	66.30	61.48
Contribution to social security plans	246.41	212.85
Staff welfare expenses	139.88	116.15
Employee share based payment expense	217.30	251.21
	6,941.67	6,152.53

(a) Impact of New Labour Codes

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), which consolidate multiple existing labour laws into a unified framework governing employment and post-employment benefits.

The Company has assessed the financial implications of these changes and, pursuant to such assessment, recognized an incremental obligation of Rs. 242.61 million on account of increase in employee benefit liabilities arising from past service. Considering the impact arising from enactment of the new legislation and its non-recurring nature, the said amount has been presented under Exceptional Items.

The Company continues to monitor developments relating to the Labour Codes, including issuance of further rules, clarifications or amendments, and will evaluate and account for the impact, as applicable, in the periods in which such developments occur.

(b) Gratuity

Amount recognized in the Statement of Profit and Loss in respect of gratuity cost (defined benefit obligations) is as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Service cost	46.57	43.62
Net interest cost	19.73	17.86
Net gratuity expense recognised in Statement of Profit and Loss	66.30	61.48
Re-measurement loss / (gain) recognized in other comprehensive income	7.51	1.98
Past service cost (reported as Exceptional Item)	201.09	-
Total cost recognised in total comprehensive income	274.90	63.46

Notes to Standalone Financial Statements for the year ended December 31, 2025

24. Employee benefits expense (Contd.)

Details of defined benefit obligations:

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Defined benefit obligation	565.82	320.00
Fair value of plan assets	1.39	9.21
Net defined benefit obligation	564.43	310.79
Classified as:		
Non-current	483.11	275.19
Current	81.32	35.60

Changes in the defined benefit obligation are as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening defined benefit obligation	320.00	283.54
Service cost	48.64	43.62
Past service cost (reported as Exceptional Item)	201.09	-
Gain on settlement	(2.07)	-
Interest cost	20.36	19.23
Benefits paid	(28.99)	(29.86)
Actuarial (gains) / losses on obligation	6.79	3.47
Closing defined benefit obligation	565.82	320.00

Changes in the fair value of plan assets are as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening fair value of plan assets	9.21	18.82
Expected return	0.63	1.37
Contributions by the employer	21.26	17.39
Benefits paid	(28.99)	(29.86)
Actuarial gains / (losses) on plan assets	(0.72)	1.49
Closing fair value of plan assets	1.39	9.21

Amounts recognized in other comprehensive income (OCI):

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Actuarial (gain) / loss due to change in demographic assumption of defined benefit obligation	-	1.87
Actuarial (gain) / loss due to change in financial assumption of defined benefit obligation	(2.11)	7.23
Actuarial (gain) / loss from change in experience adjustment of defined benefit obligation	8.90	(5.63)
Return on plan assets (greater) / less than discount rate	0.72	(1.49)
Re-measurement loss / (gain) recognised in OCI	7.51	1.98

Notes to Standalone Financial Statements for the year ended December 31, 2025

24. Employee benefits expense (Contd.)

Sensitivity Analysis

Sensitivity analysis for each significant actuarial assumptions namely discount rate and salary increment rate is given below:

(Rs. in million)

Defined Benefit Obligation	As at December 31, 2025	As at December 31, 2024
Discount rate		
a. Discount rate - 100 basis points	599.52	338.59
b. Discount rate + 100 basis points	535.56	303.30
Salary increment rate		
a. Rate - 100 basis points	538.60	304.94
b. Rate + 100 basis points	594.38	335.81

Maturity Profile of Defined Benefit Obligation

(Rs. in million)

Expected Future Cash flows (undiscounted)	As at December 31, 2025	As at December 31, 2024
Year 1	82.70	44.81
Year 2	83.39	46.45
Year 3	73.62	42.24
Year 4	68.59	36.47
Year 5	61.62	34.71
Year 6 to10	225.50	133.53
Year 10 +	266.21	166.22

The major categories of plan assets as a percentage of the fair value of total plan assets:

	As at December 31, 2025	As at December 31, 2024
Investments with Life Insurance Corporation of India	100%	100%

The principal assumptions used in determining defined benefit obligation are shown below:

(A) Financial Assumptions

	As at December 31, 2025	As at December 31, 2024
Discount rate	6.51%	6.84%
Salary Increment rate	7.00%	First year 10%, thereafter 7%

(B) Demographic Assumptions

	As at December 31, 2025	As at December 31, 2024
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	Below Age 30 Yrs. - 30%	Below Age 30 Yrs. - 30%
	Age 30 to 34 Yrs. - 25%	Age 30 to 34 Yrs. - 25%
	Age 34 to 44 Yrs. - 20%	Age 34 to 44 Yrs. - 20%
	Age 44 to 50 Yrs. - 12%	Age 44 to 50 Yrs. - 12%
	Age 50 to 54 Yrs. - 11%	Age 50 to 54 Yrs. - 11%
	Above Age 54 Yrs. -1%	Above Age 54 Yrs. -1%
Retirement age	60 Yrs.	60 Yrs.

Notes to Standalone Financial Statements for the year ended December 31, 2025

25. Finance costs

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Interest expense on borrowings	75.63	22.95
Interest expense on lease liabilities (refer to Note 14)	60.46	54.63
Interest under income tax	-	0.03
	136.09	77.61

26. Depreciation and amortisation expense

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Depreciation of property, plant and equipment	143.47	178.08
Depreciation on investment property	1.48	1.49
Depreciation on right-of-use assets	67.09	43.96
Amortisation of intangible assets	10.83	3.38
	222.87	226.91

27. Other expenses

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Power and fuel	20.70	35.74
Rent - premises	16.09	22.08
Software subscription charges	232.42	193.29
Repair and maintenance	68.29	54.51
Commission	3.09	3.69
Travelling and conveyance	223.63	170.32
Communication costs	77.00	63.77
Legal and professional fees (including subcontracting expenses)	818.44	462.69
Auditors' remuneration (refer detail below)	7.04	7.72
Foreign exchange fluctuation (net)	15.80	10.10
Provision for doubtful debts (net)	49.79	-
Corporate social responsibility expenses (refer detail below)	35.80	32.36
Miscellaneous expenses	235.54	175.90
	1,803.63	1,232.17

(i) Detail of auditors remuneration

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
As auditor of the Company:		
- Statutory audit fee	2.40	2.40
- Quarterly audit / limited review fee	3.30	3.30
- Certification	0.66	0.89
- Out-of-pocket expenses	0.68	1.13
	7.04	7.72

Notes to Standalone Financial Statements for the year ended December 31, 2025

27. Other expenses (Contd.)

(ii) Corporate social responsibility expenses (CSR)

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Amount required to be spent by the Company during the year	35.80	32.36
Amount spend by the Company in accordance with its CSR Policy:		
On construction/acquisition of asset	-	-
On purposes other than above	35.80	32.36
Shortfall at the end of the year	-	-
Details of related party transactions in relation to CSR	-	-

Nature of CSR activities:

The Company has spend on the following projects/initiatives:

1. Promoting and imparting education including special education, skill development etc.;
2. Providing support for orphans and disabled children;
3. Women empowerment and skill development;
4. Environmental sustainability; and
5. Research, development and education in the area of science and technology.
6. Eradicating hunger and malnutrition.

28. Income tax

A. Tax expense

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Current tax		
In respect of the current year	655.72	504.98
In respect of the prior periods	(64.58)	(47.60)
Deferred tax credit	(82.95)	(56.00)
Income tax expense recognised in the Statement of Profit and Loss	508.19	401.38
Income tax recognised in other comprehensive income		
Deferred tax relating to re-measurements of the defined benefit plans	(1.89)	(0.50)
	506.30	400.88

The reconciliation between the provision of income tax of the Company and amount computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Profit before tax	2,736.90	1,886.93
Enacted income tax rate in India	25.168%	34.944%
Computed expected tax expense	688.82	659.37
Tax effect of:		
Income exempt from tax - operating	-	(159.19)
Income exempt from tax - non-operating	(114.41)	(140.38)
Temporary differences reversing during the tax holiday period	-	(19.53)
Impact of change in future tax rate	-	101.10
Expenses that are not deductible in determining taxable profit	33.85	2.60
Branch operating in other tax jurisdiction	-	6.05
True-up of tax provisions related to previous years	(64.58)	(47.60)
Impact of differential tax rate on long term capital gains	(35.16)	-
Others	(0.33)	(1.04)
Income tax expense recognised in the Statement of Profit and Loss	508.19	401.38

Notes to Standalone Financial Statements for the year ended December 31, 2025

28. Income tax (Contd.)

Deferred tax

Deferred tax assets / (liabilities) as at December 31, 2025 in relation to:

(Rs. in million)

Particulars	As at January 01, 2025	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	As at December 31, 2025
Property, plant and equipment and Intangible assets	(8.22)	(8.79)	-	-	(17.01)
Right-of-use assets and lease liabilities	43.82	6.60	-	-	50.42
Provision for doubtful debts	10.28	12.32	-	-	22.60
Provision for gratuity	78.22	61.94	1.89	-	142.05
Other employee benefits	59.20	15.79	-	-	74.99
Employee share based payment expense	63.22	23.11	-	-	86.33
Mark-to-market loss/ (gain) on derivative instruments	13.96	6.87	-	-	20.83
Non-convertible debentures	-	(18.65)	-	-	(18.65)
MAT credit entitlement	16.24	(16.24)	-	-	-
Total	276.72	82.95	1.89	-	361.56

Deferred tax assets / (liabilities) as at December 31, 2024 in relation to:

(Rs. in million)

Particulars	As at January 01, 2024	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	As at December 31, 2024
Property, plant and equipment and Intangible assets	(25.22)	17.00	-	-	(8.22)
Right-of-use assets and lease liabilities	46.20	(2.38)	-	-	43.82
Provision for doubtful debts	15.54	(5.26)	-	-	10.28
Provision for gratuity	92.51	(14.79)	0.50	-	78.22
Other employee benefits	80.74	(21.54)	-	-	59.20
Employee share based payment expense	-	63.22	-	-	63.22
Mark-to-market loss/ (gain) on derivative instruments	(2.18)	16.14	-	-	13.96
MAT credit entitlement	12.63	3.61	-	-	16.24
Total	220.22	56.00	0.50	-	276.72

B. Tax assets/ liabilities (net)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Non-current tax assets (net)*	18.06	19.21
Current tax liabilities (net)	85.97	153.78

*Including amount of Rs. 6.55 million paid under protest

Notes to Standalone Financial Statements for the year ended December 31, 2025

29. Earnings per share

The reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share is as follows:

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Net profit after tax (Rs. in million)	2,228.71	1,485.55
Weighted average number of equity shares for calculating basic earnings per share	118,380,615	118,303,445
Add: Dilutive potential equity shares (refer to Note 11 and Note 39)	5,639,023	5,591,187
Weighted average number of equity shares for calculating diluted earnings per share	124,019,638	123,894,632
Earnings per share (Equity share of par value of Re. 1/- each)		
Basic (Rs.)	18.83	12.56
Diluted (Rs.)	17.97	11.99

30. Financial instruments

The carrying values and fair values of financial instruments by categories are as follows

(Rs. in million)

Particulars	Note reference	Basis of measurement	As at December 31, 2025		As at December 31, 2024		Fair value hierarchy
			Carrying value	Fair value	Carrying value	Fair value	
Assets							
Investments in subsidiaries	4	At cost	7,752.45	7,752.45	3,735.19	3,735.19	
Investments in other equity instruments	4	FVTPL	0.03	0.03	0.03	0.03	Level 3
Trade receivables	7	Amortised cost	1,971.96	1,971.96	1,096.09	1,096.09	
Cash and cash equivalents	8a	Amortised cost	555.67	555.67	387.15	387.15	
Other bank balances	8b	Amortised cost	5.39	5.39	6.06	6.06	
Other financial assets	5,9	Amortised cost	539.93	539.93	670.40	670.40	
Total			10,825.43	10,825.43	5,894.92	5,894.92	
Liabilities							
Borrowings	13,17	Amortised cost	3,146.14	3,146.14	77.33	77.33	
Lease liabilities	14	Amortised cost	691.20	691.20	554.87	554.87	
Trade payables	18	Amortised cost	230.78	230.78	97.92	97.92	
Mark-to-market loss on derivative instruments	19	FVTPL	82.77	82.77	55.45	55.45	Level 2
Other financial liabilities (Other than derivative instruments)	15,19	Amortised cost	574.59	574.59	510.84	510.84	
Total			4,725.48	4,725.48	1,296.41	1,296.41	

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Notes to Standalone Financial Statements for the year ended December 31, 2025

30. Financial instruments (Contd.)

Reconciliation of liabilities arising from financing activities:

(Rs. in million)

Particulars	As at December 31, 2024	Cash flow	Non-cash changes	As at December 31, 2025
Borrowings				
Motor vehicle loans	24.47	2.79	-	27.26
Non-convertible debentures (refer to Note 1 below)	-	2,673.80	2.11	2,675.91
Cash credit facility from scheduled banks	52.86	390.11	-	442.97
Leases (refer to Note 2 below)	554.87	(99.56)	235.89	691.20
Total	632.20	2,967.14	238.00	3,837.34

Note 1 - Amortisation of transaction costs

Note 2 - Non-cash changes in lease liabilities includes lease modification, interest accrued on lease liabilities and effect of foreign exchange fluctuations.

(Rs. in million)

Particulars	As at December 31, 2023	Cash flows	Non-cash changes	As at December 31, 2024
Borrowings				
Motor vehicle loans	27.58	(3.11)	-	24.47
Non-convertible debentures	-	-	-	-
Cash credit facility from scheduled banks	551.60	(498.74)	-	52.86
Leases (refer to Note 1 below)	571.48	(55.44)	38.83	554.87
Total	1,150.66	(557.29)	38.83	632.20

Note 1 - Non-cash changes in lease liabilities includes lease modification, interest accrued on lease liabilities and effect of foreign exchange fluctuations.

31. Financial risk management

Financial risk factors and risk management objectives

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by team that has the appropriate skills, experience along with supervision. It is the Company's policy that no trading in derivative for speculative purposes shall be undertaken.

Foreign currency risk

The Company's exchange risk arises from its foreign currency revenues (primarily in U.S. Dollars and Euros). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Company's revenues measured in Rupees may decrease or vice versa.

Derivative financial instruments

The Company holds foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Company has not applied hedge accounting as these forward contracts do not qualify for hedge accounting. As at December 31, 2025, the Company has recognized mark-to-market liability of Rs. 82.77 million (previous year: mark-to-market liability of Rs. 55.45 million) relating to aforesaid foreign currency forward contracts resulting in to mark-to-market loss of Rs. 27.32 million (previous year loss of Rs. 65.31 million) for the year ended December 31, 2025 recorded as foreign exchange fluctuation.

Notes to Standalone Financial Statements for the year ended December 31, 2025

31. Financial risk management (Contd.)

The following table gives details in respect of outstanding foreign currency forward contracts:

Particulars	As at December 31, 2025	As at December 31, 2024
USD		
Foreign currency (million)	42.75	40.80
Average rate	89.16	85.28
Rupees (million)	3,811.41	3,479.48
EURO		
Foreign currency (million)	0.40	2.10
Average rate	98.67	94.38
Rupees (million)	39.47	198.21

The Company does not have any other long term contracts including derivative contracts (other than foreign currency forward contracts mentioned above) for which there will be any material foreseeable losses.

The following table analyses Company's foreign currency exposure from non-derivative financial instruments as of December 31, 2025 and December 31, 2024:

(Rs. in million)						
As at December 31, 2025	Designated in foreign currency					Total
	USD	EURO	CAD	SGD	Others [#]	
Trade receivables	1,559.63	75.41	70.13	101.13	7.14	1,813.44
Other financial assets	1.95	3.39	0.21	2.61	-	8.16
Cash and cash equivalents	502.62	12.28	18.40	2.82	0.95	537.07
Trade and other payable	238.62	17.80	26.46	0.03	0.18	283.09
As at December 31, 2024	Designated in foreign currency					Total
	USD	EURO	CAD	SGD	Others [#]	
Trade receivables	970.66	34.62	60.11	22.23	3.41	1,091.03
Other financial assets	1.83	0.90	0.01	0.06	-	2.80
Cash and cash equivalents	278.44	4.03	0.47	0.16	0.07	283.17
Trade and other payable	226.34	17.29	27.06	0.21	-	270.90

#Others include currencies such as GBP and AUD.

Foreign currency sensitivity analysis

For the year ended December 31, 2025 and December 31, 2024, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies, would decrease / increase Company's profit before tax margin by approximately 0.66% and 1.35%, respectively.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company cash flows as well as costs. The Company has availed floating rate borrowings in the form of working capital demand loan and cash credit facility. For the year ended December 31, 2025, every one percentage increase / decrease in interest rates, would result in decrease / increase Company's profit before tax margin by approximately 0.16% (previous year 0.03%).

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from deposits held with banks, investments with financial institutions, as well as credit exposure to clients. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Notes to Standalone Financial Statements for the year ended December 31, 2025

31. Financial risk management (Contd.)

The following table gives details in respect of revenues generated from top customer and top 5 customers:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from top customer	957.14	411.88
Revenue from top 5 customers	2,447.63	1,631.05

No customer accounted for more than 10% of the revenue for the year ended December 31, 2025 and December 31, 2024. Further, no customer accounted for more than 10% of the receivable as at December 31, 2025 and December 31, 2024.

Investments including bank deposits

Credit risk on bank balances is limited as the Company generally invests in deposits with banks. The Company does not expect any losses from non-performance by the counterparties.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The investment of surplus cash is governed by the Company's investment policy approved by the Board of Directors. The Company believes that the working capital is sufficient to meet its current requirements.

As at December 31, 2025, the Company had a working capital of Rs. 1,364.63 million including cash and cash equivalents and current fixed deposits of Rs. 555.67 million. As at December 31, 2024, the Company had a working capital of Rs. 1,037.66 million including cash and cash equivalents and current fixed deposits of Rs. 389.51 million. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities:

(Rs. in million)

Particulars	As at December 31, 2025					
	Up to 1 year	1 -2 years	2 -3 years	3 -5 years	More than 5 years	Total
Borrowings	724.40	277.67	1,155.58	2,034.85	-	4,192.50
Lease liabilities	133.37	137.54	136.59	200.95	411.46	1,019.91
Trade payables	230.78	-	-	-	-	230.78
Other financial liabilities	642.08	15.28	-	-	-	657.36
Total	1,730.63	430.49	1,292.17	2,235.80	411.46	6,100.55

(Rs. in million)

Particulars	As at December 31, 2024					
	Up to 1 year	1 -2 years	2 -3 years	3 -5 years	More than 5 years	Total
Borrowings	65.03	8.64	4.25	2.66	-	80.58
Lease liabilities	78.62	78.87	81.20	169.49	499.91	908.09
Trade payables	97.92	-	-	-	-	97.92
Other financial liabilities	554.11	12.18	-	-	-	566.29
Total	795.68	99.69	85.45	172.15	499.91	1,652.88

The Company has access to the following working capital facilities:

(Rs. in million)

Particulars	As at December 31, 2025			As at December 31, 2024		
	Total facility	Drawn	Undrawn	Total facility	Drawn	Undrawn
Floating Rate						
Facilities expiring within one year						
-Axis Bank Ltd. (refer Note 1)	850.00	196.49	653.51	850.00	-	850.00
-ICICI Bank Limited (refer Note 2)	600.00	246.48	353.52	600.00	52.86	547.14
Total	1,450.00	442.97	1,007.03	1,450.00	52.86	1,397.14

Notes to Standalone Financial Statements for the year ended December 31, 2025

31. Financial risk management (Contd.)

The Company has access to the following working capital facilities: (Contd.)

Notes:

1. Includes working capital demand loan, cash credit, foreign currency demand loan, running packing credit/ pre-shipment credit in foreign currency and foreign bills purchases/discounted/ collection bill/ negotiation of foreign bills under LC.
2. Includes working capital demand loan, cash credit, export packing credit and packing credit in foreign currency.
3. The aforementioned facilities may be drawn at any time and may be terminated by the bank without notice.
4. Above facilities from Axis Bank Ltd. and ICICI Bank Limited are secured by first pari-passu charge by way of hypothecation on entire current assets of the Company present and future.
5. The Company has filed revised statements for each quarter with the above-mentioned banks, and the same are in agreement with the books of account of the Company.

32. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective, when managing capital, is to maintain an optimal structure so as to maximise shareholder value. The capital structure is as follows:

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Total capital (equity, borrowings and lease liabilities)	10,739.93	5,763.99
Total equity attributable to the equity share holders of the Company	6,902.59	5,131.79
As percentage of total capital	64.27%	89.03%
Term loans for motor vehicles (including current maturities)	27.26	24.47
Non-convertible debentures	2,675.91	-
Working capital loans from banks	442.97	52.86
Lease liabilities (including current maturities)	691.20	554.87
Total borrowings and lease liabilities	3,837.34	632.20
As percentage of total capital	35.73%	10.97%

Notes to Standalone Financial Statements for the year ended December 31, 2025

33. Financial Ratios

Ratio/Measure		Numerator	Denominator	Year ended December 31, 2025	Year ended December 31, 2024	% Variance	Reason for variance
a.	Current Ratio	Current assets	Current liabilities	1.68	1.75	-4.00%	
b.	Debt-Equity Ratio	Total Debt (borrowings + lease liabilities)	Shareholders' equity	0.56	0.12	351.22%	Due to increase in total debt on account of issue of Non-Convertible Debentures during the year
c.	Debt Service Coverage Ratio	Earnings available for debt service ¹	Debt service ²	12.95	22.47	-42.37%	Due to increase in total debt on account of issue of Non-Convertible Debentures during the year
d.	Return on Equity Ratio (%)	Profit for the year	Average shareholders' equity	37.04%	29.83%	24.16%	
e.	Trade Receivables turnover ratio	Revenue from operations	Average trade receivable	7.18	8.57	-16.22%	
f.	Trade payables turnover ratio	Total purchases ³	Average trade payables	11.18	12.55	-10.95%	
g.	Net capital turnover ratio	Revenue from operations	Average working capital	14.44	20.57	-29.79%	Due to increase in average working capital during the year
h.	Net profit ratio (%)	Profit for the year	Revenue from operations	20.25%	16.30%	24.23%	
i.	Return on Capital employed (%)	Earning before interest and taxes	Capital employed ⁴	26.75%	34.08%	-21.51%	
j.	Return on investment (%)	Interest income, net gain on sale of investments and net fair value gain	Weighted average investments ⁵	5.04%	5.27%	-4.50%	

Notes:

- 1 Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses
- 2 Debt service = Interest and lease payments + Principal repayments
- 3 Total purchases = Other expenses - CSR - Provision for doubtful debts - Loss on sale/discard of property, plant and equipment + staff welfare expenses
- 4 Capital Employed = Shareholders' equity + Total Debt
- 5 Weighted average investment is the weighted average of amount invested in fixed deposits.

34. Segment information

The Managing Director and Chief Executive Officer of the Company has been identified as the Chief Operating Decision Maker (CODM). Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided. The CODM has identified the following as its reportable segments.

- a) Information technology services
- b) Business process outsourcing services (knowledge service)

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities of the Company are used interchangeably between segments and the CODM does not review assets and liabilities at reportable segment level. Accordingly, in line with the requirements of Ind AS 108 - Operating Segments, disclosure relating to segment assets and liabilities has not been provided.

Geographic segments are based on the areas in which the major customers of the Company operate. Although the Company's major operating divisions are managed on a worldwide basis, they operate in four principal geographical areas of the world which are: Americas, Asia Pacific (APAC), Europe and Middle East and Africa (MEA).

Notes to Standalone Financial Statements for the year ended December 31, 2025

34. Segment information (Contd.)

The following table provides required information for reportable segments for the year ended December 31, 2025 and December 31, 2024:

(Rs. in million)							
Particulars	Information technology services		Business process outsourcing services		Corporate and others		Total
	Year ended						
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	
REVENUE							
External sales	8,922.49	7,357.95	2,085.56	1,756.45			9,114.40
Total revenue	8,922.49	7,357.95	2,085.56	1,756.45			9,114.40
RESULTS							
Segment results	1,492.74	1,097.98	897.85	724.42			1,822.40
Unallocated corporate expenses					(552.68)	(286.59)	(286.59)
Operating profit							1,535.81
Finance costs					(136.09)	(77.61)	(77.61)
Interest income					31.60	19.14	19.14
Other unallocable income (refer to Note 36 and Note 37)					1,003.48	409.59	409.59
Tax expense					(508.19)	(401.38)	(401.38)
Net profit after tax							1,485.55
Other segment Information							
Depreciation and amortisation	190.16	216.15	31.23	9.27	1.48	1.49	226.91

Refer to Note 22 for geography-wise revenue.

Refer to Note 31 on financial risk management for information on revenue from major customers.

Notes to Standalone Financial Statements for the year ended December 31, 2025

35. Related Party Disclosure

(i) Names of related parties:

Ultimate holding company	BCP Asia II Holdco II Pte. Ltd.
Holding company	BCP Asia II TOPCO II Pte. Ltd.
Subsidiaries	- R Systems (Singapore) Pte Limited, Singapore - R Systems, Inc., USA - R Systems Technologies Limited, USA - R Systems Consulting Services Limited, Singapore - R Systems Computaris International Limited, UK - RSYS Technologies Ltd., Canada - Velotio Technologies Private Limited, India - o Scaleworx Technologies Private Limited, India - RSIL Mexico, S. de R.L. de C.V., United Mexican States (w.e.f. October 9, 2024) - Novigo Solutions Private Limited, India (w.e.f. November 13, 2025) Following are the subsidiaries of R Systems Consulting Services Ltd, Singapore: - R Systems Consulting Services (M) Sdn. Bhd., Malaysia - R Systems Consulting Services (Thailand) Co., Ltd., Thailand - R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China - R Systems Consulting Services (Hong Kong) Limited, Hong Kong - R Systems Consulting Services Kabushiki Kaisha, Japan - R Systems Consulting Services Company Limited, Vietnam Following are the subsidiaries of R Systems Computaris International Limited, UK: - R Systems Computaris Europe S.R.L., Romania - R Systems Computaris Poland Sp. Z O.O, Poland - R Systems Computaris S.R.L., Moldova - R Systems Computaris Malaysia Sdn. Bhd., Malaysia - R Systems Computaris Philippines Pte. Ltd. Inc., Phillippines - R Systems Computaris Suisse Sàrl, Switzerland Following are the subsidiaries of R Systems (Singapore) Pte Ltd, Singapore: - R Systems IBIZCS Pte. Ltd., Singapore with the following step down subsidiaries: - R Systems IBIZCS Sdn. Bhd., Malaysia - PT R Systems IBIZCS International, Indonesia - IBIZ Consulting (Thailand) Co., Ltd, Thailand - IBIZ Consulting Services Limited, Hong Kong (Special Administrative Region) (IBIZ HK) - IBIZ Consulting Services (Shanghai) Co., Ltd., People's Republic of China (wholly owned subsidiary of IBIZ HK) Following are the subsidiaries of Novigo Solutions Private Limited, India: - Novigo Solutions Inc, USA (w.e.f. November 13, 2025) - Novigo for Information Technology, Saudi Arabia (w.e.f. November 13, 2025) - Novigo Solutions B.V., Netherlands (w.e.f. November 13, 2025) - Novigo Solutions Limited, UK (w.e.f. November 13, 2025)

Names of other related parties:

Key management personnel	- Nitesh Bansal, Managing Director & Chief Executive Officer - Ruchica Gupta, Chairperson & Non-Executive Independent Director - Kapil Dhameja, Non-Executive Independent Director - Aditya Wadhwa, Non-Executive Independent Director - Mukesh Mehta, Non-Executive Director - Amit Dalmia, Non-Executive Director - Animesh Agarwal, Non-Executive Director - Nand Sardana, Chief Financial Officer - Bhasker Dubey, Company Secretary & Compliance Officer
Person having shareholding of 20% or more, directly or indirectly (not specified above)	Bhavook Tripathi

Notes to Standalone Financial Statements for the year ended December 31, 2025

35. Related Party Disclosure (Contd.)

(ii) Details of transactions with related parties for the year ended December 31, 2025 and December 31, 2024:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from information technology and BPO services rendered to		
R Systems Consulting Services Limited, Singapore	71.75	65.58
R Systems, Inc., USA	957.14	443.38
RSYS Technologies Limited, Canada	325.88	208.89
R Systems (Singapore) Pte Limited, Singapore	128.93	35.78
R Systems Computaris International Limited, UK	28.95	2.39
R Systems Computaris Europe S.R.L., Romania	170.13	76.78
R Systems IBIZCS Pte. Ltd., Singapore	35.54	51.35
PT R Systems IBIZCS International, Indonesia	6.80	9.97
R Systems IBIZCS Sdn. Bhd., Malaysia	22.34	17.19
Velotio Technologies Private Limited, India	33.78	21.24
Scaleworx Technologies Private Limited, India	-	1.41
R Systems Consulting Services (M) Sdn. Bhd., Malaysia	7.96	-
Total	1,789.20	933.96
Information technology services received from		
Velotio Technologies Private Limited, India	285.13	106.00
Scaleworx Technologies Private Limited, India	-	1.86
Total	285.13	107.86
Sales and support services received from		
RSYS Technologies Ltd., Canada	162.44	125.03
R Systems Computaris International Limited, UK	70.93	25.97
R Systems, Inc., USA	15.46	5.01
Total	248.83	156.01
Investment in subsidiary (refer to Note 4)		
RSIL Mexico, S. de R.L. de C.V., United Mexican States	17.26	-
Total	17.26	-
Rent paid by the Company to		
Velotio Technologies Private Limited, India	0.05	0.80
Total	0.05	0.80
Rent received by the Company from		
Velotio Technologies Private Limited, India	4.37	-
Scaleworx Technologies Private Limited, India	0.17	-
Total	4.54	-
Travel and other expenses reimbursed by the Company to		
RSYS Technologies Ltd., Canada	-	2.48
R Systems, Inc., USA	71.66	59.32
R Systems Computaris International Limited, UK	2.54	2.15
Velotio Technologies Private Limited, India	1.74	0.33
R Systems Consulting Services Limited, Singapore	-	0.22
R Systems Computaris Europe S.R.L., Romania	3.29	-
Total	79.23	64.50
Travel and other expenses reimbursed to the Company by		
R Systems Consulting Services Limited, Singapore	7.89	5.27
R Systems, Inc., USA	7.10	8.61
R Systems (Singapore) Pte. Ltd, Singapore	3.30	1.19
RSYS Technologies Ltd., Canada	0.51	0.98
R Systems IBIZCS Pte. Ltd., Singapore	3.28	1.63
R Systems Computaris International Limited, UK	24.69	18.18
R Systems Computaris Europe S.R.L., Romania	0.30	0.19
Velotio Technologies Private Limited, India	1.23	5.85
Total	48.30	41.90

Notes to Standalone Financial Statements for the year ended December 31, 2025

35. Related Party Disclosure (Contd.)

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Reimbursement towards RSU		
R Systems, Inc., USA	6.91	11.49
RSYS Technologies Ltd., Canada	6.05	11.35
R Systems Computaris Europe S.R.L., Romania	16.22	20.56
R Systems Computaris Poland Sp. Z O.O, Poland	2.23	2.91
R Systems Computaris International Limited, UK	3.91	1.34
Velotio Technologies Private Limited, India	3.77	-
Scaleworx Technologies Private Limited, India	1.48	-
Total	40.57	47.65
Reimbursement to the Company for purchase of assets on behalf of		
R Systems, Inc., USA	0.22	5.40
R Systems Computaris Europe S.R.L., Romania	-	0.04
R Systems Consulting Services Limited, Singapore	3.17	-
R Systems (Singapore) Pte Limited, Singapore	3.20	-
R Systems IBIZCS Pte. Ltd., Singapore	3.16	-
R Systems Computaris International Limited, UK	8.99	-
Total	18.74	5.44
Reimbursement by the Company for purchase of assets to		
R Systems, Inc., USA	-	0.87
Total	-	0.87
Dividend received from subsidiaries (refer to Note 36)		
R Systems (Singapore) Pte Limited, Singapore	102.84	73.99
R Systems Computaris International Limited, UK	81.10	177.70
Velotio Technologies Private Limited, India	200.57	150.04
R Systems Technologies Limited, USA	59.89	-
RSYS Technologies Ltd., Canada	59.49	-
R Systems, Inc., USA	51.36	-
Total	555.25	401.73
Remuneration		
Short term employee benefits	114.15	107.89
Post-employment benefits	0.80	0.04
Other long-term employee benefits	1.00	0.25
Employee share-based payment expenses	128.55	125.89
Sitting fee to independent directors	1.23	1.09
Total	245.73	235.16
Dividend Paid (refer to Note 38)		
BCP Asia II TOPCO II Pte. Ltd.	368.60	1,185.66
Bhavook Tripathi	145.88	616.79
Nand Sardana	1.20	3.78
Basker Dubey	0.00*	-
Total	515.68	1,806.23

*Dividend of Rs. 3,924 was paid to Bhasker Dubey during the year ended December 31, 2025.

Notes to Standalone Financial Statements for the year ended December 31, 2025

35. Related Party Disclosure (Contd.)

(iii) Outstanding balances of related parties as at December 31, 2025 and December 31, 2024:

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Trade receivables		
R Systems Consulting Services Limited, Singapore	30.83	10.96
R Systems, Inc., USA	189.10	52.29
RSYS Technologies Ltd., Canada	42.93	36.51
R Systems (Singapore) Pte Ltd, Singapore	67.65	7.00
R Systems Computaris Europe S.R.L., Romania	34.64	6.57
PT R Systems IBIZCS International, Indonesia	0.48	0.66
R Systems IBIZCS Pte. Ltd., Singapore	2.65	4.27
R Systems IBIZCS Sdn. Bhd., Malaysia	4.54	5.60
Velotio Technologies Private Limited, India	3.95	0.15
Scaleworx Technologies Private Limited, India	-	0.17
R Systems Consulting Services (M) Sdn. Bhd., Malaysia	1.89	-
Total	378.66	124.18
Other current financial assets		
R Systems Consulting Services Limited, Singapore	1.94	5.32
R Systems, Inc., USA	36.42	55.46
RSYS Technologies Ltd., Canada	0.21	24.76
R Systems (Singapore) Pte Limited, Singapore	0.36	2.04
R Systems Computaris Europe S.R.L., Romania	0.56	26.65
R Systems Computaris International Limited, UK	2.24	2.24
R Systems IBIZCS Pte. Ltd., Singapore	0.31	4.43
PT R Systems IBIZCS International, Indonesia	-	0.67
Velotio Technologies Private Limited, India	4.76	1.81
R Systems IBIZCS Sdn. Bhd., Malaysia	-	0.20
Scaleworx Technologies Private Limited, India	0.03	0.14
R Systems Computaris Poland Sp. Z O.O, Poland	0.76	2.91
Total	47.59	126.63
Recoverable from subsidiaries towards RSU (not due)		
R Systems, Inc., USA	16.24	-
RSYS Technologies Ltd., Canada	14.95	-
R Systems Computaris Europe S.R.L., Romania	32.20	-
R Systems Computaris Poland Sp. Z O.O, Poland	4.43	-
R Systems Computaris International Limited, UK	4.56	-
Velotio Technologies Private Limited, India	3.77	-
Scaleworx Technologies Private Limited, India	1.48	-
Total	77.63	-
Other current assets		
RSYS Technologies Ltd., Canada	3.15	1.98
R Systems IBIZCS Sdn. Bhd., Malaysia	-	2.98
Total	3.15	4.96

Notes to Standalone Financial Statements for the year ended December 31, 2025

35. Related Party Disclosure (Contd.)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Trade Payables		
R Systems, Inc., USA	1.77	-
RSYS Technologies Ltd., Canada	26.18	-
R Systems Computaris International Limited, UK	15.23	-
Velotio Technologies Private Limited, India	33.17	-
Total	76.35	-
Current financial liabilities		
R Systems Consulting Services Limited, Singapore	-	0.22
R Systems, Inc., USA	5.71	22.41
RSYS Technologies Ltd., Canada	-	27.07
R Systems Computaris International Limited, UK	-	17.29
Velotio Technologies Private Limited, India	-	14.20
Scaleworx Technologies Private Limited, India	-	0.38
R Systems Computaris Europe S.R.L., Romania	1.66	-
Total	7.37	81.57
Other current liabilities		
RSYS Technologies Ltd., Canada	-	9.41
R Systems, Inc., USA	-	1.40
Total	-	10.81

The amounts outstanding are unsecured and will be settled in cash. No guarantee has been given or received.

36. During the year ended December 31, 2025, the Company has recognized dividend income from its subsidiaries amounting to Rs. 555.25 million. The Company had also received dividend from its subsidiaries amounting to Rs. 401.73 million during the year ended December 31, 2024.

The aforesaid dividend is recorded under "Other Income."

37. The transaction for sale of land, building and certain other assets located at Company's Noida office having a carrying value of Rs. 64.00 million was concluded during the year ended December 31, 2025. Profit on sale of these assets amounting to Rs. 435.95 million is recorded under "Other Income" during the year ended December 31, 2025. As at December 31, 2024, these assets were classified as assets held for sale and an advance received towards sale of assets amounting to Rs. 70.00 million was disclosed under "Other Current Liabilities."

38. The Board of Directors at its meeting held on May 8, 2025 had declared an interim dividend of Rs. 6.00/- per equity share of face value of Re. 1/- each aggregating to Rs. 710.28 million.

The Board of Directors, at its meeting held on March 19, 2024, declared a first interim dividend of Rs. 6.00/- per equity share of face value of Re. 1/- each, aggregating to Rs. 709.82 million. Subsequently, at its meeting held on November 8, 2024, the Board of Directors declared a second interim dividend of Rs. 6.50/- per equity share of face value of Re. 1/- each, aggregating to Rs. 768.97 million.

The interim dividend declared and paid by the Company is in compliance with section 123 of the Companies Act, 2013.

39. The Board of Directors of R Systems International Limited ("R Systems" or the "Amalgamated Company") approved the Composite Scheme of Amalgamation of Velotio Technologies Private Limited ("Velotio") and Scaleworx Technologies Private Limited ("Scaleworx") with R Systems (the "Scheme") on September 11, 2024, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Scheme has received approvals from the Stock Exchanges and Creditors & Shareholders of R Systems. The Scheme has been filed with the Hon'ble National Company Law Tribunal, New Delhi ("NCLT") and is currently pending under its consideration.

Upon all the requisite approvals, as per the Scheme, the Existing Optionally Convertible Redeemable Preference Shareholders of Velotio will be allotted 5,160,833 Optionally Convertible Redeemable Preference Shares of face value of Re. 1/- each of R Systems ("R Systems OCRPS"). R Systems OCRPS will be converted into 5,160,833 equity shares of face value of Re. 1/- each of R Systems on the completion of their Term and subject to Vesting Factor as per terms and conditions defined in the Proposed Scheme.

Notes to Standalone Financial Statements for the year ended December 31, 2025

40. The Company completed the acquisition of 100% equity shares of Novigo Solutions Private Limited ("Novigo") on November 13, 2025, for a consideration of Rs. 4,000.00 million. The acquisition was partially funded through the issuance of rated, listed, unsecured, senior, redeemable non-convertible debentures (NCD's) amounting to Rs. 2,750.00 million on a private placement basis on November 11, 2025, with the balance paid by the Company through its own funds. Further, the previous shareholders of Novigo hold 1,700,000 compulsory convertible redeemable preference shares ("CCPS") of Novigo Solutions Private Limited and the Company may at a later stage, as may be approved by its Board of Directors, acquire such CCPS, subject to the terms and conditions of Shareholders' Agreement ("SHA") dated August 21, 2025, entered into between the Company, Novigo, and the previous shareholders of Novigo. The aforesaid CCPS are valued at Rs. 1,923.88 million on the date of acquisition, based on the terms and conditions stated in the SHA. Accordingly, the total purchase consideration including fair value of CCPS is assessed at Rs. 5,923.88 million.

Novigo provides information technology services including digital and product engineering services. Novigo was acquired to strengthen the Company's digital product engineering capabilities, enhancing expertise in the Agentic AI space and expanding its market presence including in Middle East.

41. Audit Trail

As per the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2024, accounting software used by the Company should have a feature of recording audit trail of each and every transaction. The Company's IT environment is adequately governed with General information technology controls (GITCs) for financial reporting process and the Company has assessed all of its IT application that are relevant for maintaining books of account.

The Company has used accounting software during January 1, 2025 to March 31, 2025, which has the audit trail feature and same was enabled at the application level and operated for all relevant transactions recorded in such software. The audit trail feature was not enabled at the database level to log any direct data changes.

The Company has migrated to another accounting software from April 1, 2025 onwards which has the audit trail feature and the same has operated from April 1, 2025, throughout the remaining period for all relevant transactions recorded in the software.

The Company has also used accounting software for revenue records during January 1, 2025 to March 31, 2025 and accounting software used for payroll records during January 1, 2025 to December 31, 2025 which did not have the audit trail feature.

The Company has not noted any tampering of the audit trail feature in respect of the accounting software for which the audit trail feature was operating.

42. Commitments and Contingent liabilities

a. Capital commitments

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Estimated amount of unexecuted capital contracts (A)	10.55	34.15
Capital advances (B)	-	-
Net capital commitment (A-B)	10.55	34.15

b. Contingent liabilities

As at December 31, 2025 and December 31, 2024, there are no claims against the Company which were not acknowledged as debts, except where the possibility of an outflow of resources embodying economic benefits is remote.

43. Additional Notes

- There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- The Company did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.
- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.
- The Company had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

Notes to Standalone Financial Statements for the year ended December 31, 2025

43. Additional Notes (Contd.)

- g. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- h. The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended December 31, 2025.
- j. There were no amounts due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013 at the year end. Further, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

44. Computation of net profit under Section 198 of the Companies Act, 2013 for calculation of managerial remuneration under Section 197 of the Companies Act, 2013

(Rs. in million)

Sl. No.	Particulars	Year ended December 31, 2025	Year ended December 31, 2024
A	Total comprehensive income	2,223.09	1,484.07
B	Add:		
(i)	Provision for doubtful debts (net)	49.79	-
(ii)	Deficit in profit and loss on measurement of assets / liabilities at fair value (net)	33.15	55.29
(iii)	Tax expense (including tax relating to re-measurements of the defined benefit plans)	506.30	400.88
(iv)	Depreciation and amortisation expense	222.87	226.91
		812.11	683.08
C	Less:		
(i)	Profit on sale of property, plant and equipment (net)	435.95	0.43
(ii)	Depreciation and amortisation expense	222.87	226.91
(iii)	Bad debts written off	-	57.29
(iv)	Reversal of provision for doubtful debts	-	6.75
(v)	Interest income on financial instruments measured at amortised cost	2.39	1.63
		661.21	293.01
	Net Profit for the year (A+B-C)	2,373.99	1,874.14
D	Add:		
	Remuneration paid to the whole-time directors	93.75	89.58
E	Net Profit for the purpose of managerial remuneration	2,467.74	1,963.72
	Overall maximum remuneration to all managerial personnel at 10% of the net profits as calculated above	246.77	196.37
	Overall maximum remuneration to individual managerial personnel at 5% of the net profits as calculated above	123.39	98.19

45. The standalone financial statements have been approved by the Board of Directors at its meeting held on February 10, 2026.

For and on behalf of the Board of Directors of R Systems International Limited

Nitesh Bansal

Managing Director & Chief Executive Officer
DIN: 10170738

Place : Philadelphia, USA
Date : February 10, 2026

Nand Sardana

Chief Financial Officer
Place : Greater Noida
Date : February 10, 2026

Ruchica Gupta

Chairperson & Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : February 10, 2026

Bhasker Dubey

Company Secretary & Compliance Officer
Place : Greater Noida
Date : February 10, 2026

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To The Members of R Systems International Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **R Systems International Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 December, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	Impairment assessment of goodwill (Refer note 3(e) of the consolidated financial statements) The Group has recognised goodwill amounting to INR 2,657.40 million in the consolidated financial statements in relation to the acquisition of Velotio Technologies Private Limited ("Velotio") in 2023. During the year, management has carried out impairment assessment by comparing the carrying value of the goodwill to its recoverable amount to determine whether an impairment was required to be recognised. We considered the assumptions relating to future revenue growth and the valuation assumptions, specifically, the assumptions relating to weighted average cost of capital and terminal growth rate, used in estimation of recoverable value of Velotio as a key audit matter due to the significance of the investment amount and the significant estimates and judgement involved in estimation of these assumptions	Principal audit procedures performed: - Evaluated the design, implementation of the processes and tested the operating effectiveness of management controls relating to impairment assessment of goodwill; - Evaluated the reasonableness of the business assumptions relating to future revenue growth; - We have involved our valuation specialists to assess overall reasonableness of the assumptions used particularly those relating to the weighted average cost of capital and terminal growth rate; - Performed sensitivity analysis on the key assumptions such as weighted average cost of capital and terminal growth rate; - Assessed the adequacy of the disclosures made in the financial statements.
2	Business combination (Refer note 35 of the consolidated financial statements) During the year, the Parent has acquired Novigo Solutions	Principal audit procedures performed: Evaluated the design and implementation of the processes and tested operating effectiveness of management controls relating to accounting for business combinations and related

Private Limited. Ind AS 103 – Business Combinations, requires that consideration be given to the existence and measurement of separable identifiable intangible assets that have been acquired as part of each business combination. A significant proportion of the purchase consideration has been attributed to goodwill and other identified intangible assets, the valuation of which is dependent on cash flow forecasts including future business growth and the application of an appropriate discount rate, which are inherently subjective and therefore considered as key audit matter.	in the consolidated financial statements; • Read the underlying agreements to understand the key terms and conditions mentioned, including determination of purchase consideration and identification of intangible assets; • Along with our valuation specialists, evaluated the reasonableness of methodology and key assumptions used by management (along with their external valuation specialist) in determining the value of the identified intangible assets; • Obtained the cash flow forecasts supporting the valuation of the intangible assets identified and assessed if these are reasonable; • Verified the mathematical accuracy of the calculations involved and the computation of goodwill; • Evaluated the objectivity and competency of the specialist engaged by the Parent; • Assessed the adequacy of the presentation and disclosures made in the consolidated financial statements.
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Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report, Director's Report including Annexures to Director's Report, Management's Discussion and Analysis Report, Business Responsibility and Sustainability Report and Risk Management Report which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

When we read the Director's Report including Annexures to Director's Report, Corporate Governance Report, Management's Discussion and Analysis Report, Business Responsibility and Sustainability Report and Risk Management Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

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

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

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

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

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

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

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

such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements. We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of 24 subsidiaries whose financial statements reflect total assets of Rs. 3,389.59 million as at 31 December, 2025, total revenues of Rs. 6,327.97 million, total net profit after tax of Rs. 315.65 million, total comprehensive income of Rs. 326.63 million and net cash outflows of Rs. 95.91 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements/information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements/information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors.

In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors, except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India by 1 of its subsidiary, and (b) in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Parent and its subsidiary companies incorporated in India as on 31 December, 2025 taken on record by the Board of Directors of the Parent and its subsidiary companies incorporated in India none of the directors of the Group companies incorporated in India is disqualified as on 31 December, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

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

- i) There were no pending litigations which would impact the consolidated financial position of the Group. Refer Note 40 (b) to the consolidated financial statements.

- ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 19 and Note 31 to the consolidated financial statements.

- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent. Refer Note 41 (i) to the consolidated financial statements

- iv) (a) The respective Managements of the Parent and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in Note 41(c) to the consolidated 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 Parent or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in Note 41(d) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The interim dividend declared and paid by the Parent and its subsidiaries during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013. Refer Note 37 to the consolidated financial statements.
- vi) Based on our examination, which included test checks, and based on the other auditor's report of its subsidiary company incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent and its subsidiary companies have used accounting software for maintaining their respective books of account for the year ended December 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:

a) In respect of Parent:

- i. the accounting software used during January 1, 2025 to March 31, 2025, the audit trail feature was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with.
- ii. a related accounting software used for revenue records during January 1, 2025 to March 31, 2025 did not have a feature of recording audit trail (edit log) facility.
- iii. a related accounting software used by the Parent for payroll records during January 1, 2025 to December 31, 2025 did not have a feature of recording audit trail (edit log) facility.

- b) A subsidiary company, acquired on November 13, 2025, has used an accounting software, operated by a third party software service provider, for maintaining its books of account and in the absence of an independent auditor's System and Organization Controls report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the period from November 13, 2025 till December 31, 2025 for all relevant transactions recorded in the software and whether there were any instances of the audit trail feature being tampered with.

Refer Note 39 to the consolidated financial statements.

Further, during the course of our audit, we and the other auditor, whose report has been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with in respect of the accounting software used by the Parent and its two subsidiary companies, for the period for which the audit trail feature was operating.

- 2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO report issued by us and the auditor of subsidiary companies included in the consolidated financial statements, to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by auditor of subsidiary company in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

(Membership No.93474)

(UDIN: 26093474FREUZB6535)

Place : Mumbai

Date : 10 February, 2026

Annexure A To The Independent Auditor's Report

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

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

In conjunction with our audit of the consolidated financial statements of the Parent as at and for the year ended 31 December, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

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

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 December, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 1 subsidiary company, which is company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India. Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

(Membership No.93474)

(UDIN: 26093474FREUZB6535)

Place : Mumbai

Date : 10 February, 2026

Consolidated Balance Sheet as at December 31, 2025

(Rs. in million)

Particulars	Notes	As at December 31, 2025	As at December 31, 2024
Assets			
A. Non-current assets			
(a) Property, plant and equipment	3 (a)	673.67	436.83
(b) Capital work in progress	3 (b)	1.34	-
(c) Investment property	3 (c)	12.99	14.47
(d) Right-of-use assets	3 (d)	736.56	495.85
(e) Goodwill	3 (e)	6,956.74	2,836.24
(f) Other intangible assets	3 (f)	2,867.35	1,923.55
(g) Intangible assets under development	3 (g)	-	40.53
(h) Financial assets			
(i) Investments	4	0.03	0.03
(ii) Other financial assets	5	88.94	58.21
(i) Deferred tax assets (net)	28	608.47	392.01
(j) Non-current tax assets (net)	28	81.41	45.59
(k) Other non-current assets	6	40.74	37.91
Total non-current assets (A)		12,068.24	6,281.22
B. Current assets			
(a) Financial assets			
(i) Trade receivables	7	4,106.61	2,573.09
(ii) Cash and cash equivalents	8a	3,084.49	1,900.89
(iii) Bank balances other than cash and cash equivalents	8b	56.64	36.57
(iv) Other financial assets	9	870.25	797.66
(b) Other current assets	10	835.62	502.36
Total current assets (B)		8,953.61	5,810.57
C. Assets held for sale (C)	36	-	64.00
Total assets (A+B+C)		21,021.85	12,155.79
Equity and liabilities			
A. Equity			
(a) Equity share capital	11	118.40	118.31
(b) Other equity	12	7,797.83	6,122.19
Total equity attributable to equity shareholders of the Company		7,916.23	6,240.50
Non controlling interests	35,38	4,330.88	2,407.00
Total equity (A)		12,247.11	8,647.50
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	2,691.75	13.01
(ii) Lease liabilities	14	788.60	561.28
(iii) Other financial liabilities	15	15.28	12.18
(b) Provisions	16	576.39	327.63
(c) Deferred tax liabilities (net)	28	0.17	-
Total non-current liabilities (B)		4,072.19	914.10
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	454.39	64.32
(ii) Lease liabilities	14	163.09	90.21
(iii) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		12.94	3.30
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,128.28	402.93
(iv) Other financial liabilities	19	1,366.22	908.42
(b) Other current liabilities	20	848.58	556.99
(c) Provisions	21	556.99	383.21
(d) Current tax liabilities (net)	28	172.06	184.81
Total current liabilities (C)		4,702.55	2,594.19
Total liabilities (B+C)		8,774.74	3,508.29
Total equity and liabilities (A+B+C)		21,021.85	12,155.79

Notes forming integral part of the consolidated financial statements

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In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

**For and on behalf of the Board of Directors of
R Systems International Limited**

Alka Chadha
Partner
(Membership No. 93474)

Place : Mumbai
Date : February 10, 2026

Nitesh Bansal
Managing Director & Chief Executive Officer
DIN: 10170738
Place : Philadelphia, USA
Date : February 10, 2026

Nand Sardana
Chief Financial Officer
Place : Greater Noida
Date : February 10, 2026

Ruchica Gupta
Chairperson & Non-Executive Independent Director
DIN: 06912329
Place : New Delhi
Date : February 10, 2026

Bhasker Dubey
Company Secretary & Compliance Officer
Place : Greater Noida
Date : February 10, 2026

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

(Rs. in million)

Particulars	Notes	Year ended December 31, 2025	Year ended December 31, 2024
A. Income			
(i) Revenue from operations	22	19,582.06	17,417.27
(ii) Other income	23	536.12	83.14
Total income		20,118.18	17,500.41
B. Expenses			
(i) Employee benefits expense	24	12,872.69	11,911.19
(ii) Finance costs	25	141.74	83.95
(iii) Depreciation and amortisation expense	26	663.98	653.73
(iv) Other expenses	27	3,642.23	2,936.52
Total expenses		17,320.64	15,585.39
C. Profit before exceptional item and tax (A-B)		2,797.54	1,915.02
D. Exceptional item			
Impact of New Labour Codes	24	245.83	-
E. Profit before tax (C-D)		2,551.71	1,915.02
F. Tax expense	28		
(i) Current tax		763.96	678.38
(ii) Deferred tax credit		(74.21)	(75.18)
Total tax expense		689.75	603.20
G. Profit for the year (E-F)		1,861.96	1,311.82
H. Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(10.40)	(12.14)
Deferred tax relating to re-measurements of the defined benefit plans		2.82	2.85
Items that will be reclassified to profit or loss			
Foreign currency translation reserve		273.63	3.53
Total other comprehensive income / (loss)		266.05	(5.76)
I. Total comprehensive income for the year (G+H)		2,128.01	1,306.06
J. Profit attributable to			
Equity shareholders of the company		1,861.96	1,311.82
Non controlling interest		-	-
		1,861.96	1,311.82
K. Total comprehensive income attributable to			
Equity shareholders of the company		2,128.01	1,306.06
Non controlling interest		-	-
		2,128.01	1,306.06
L. Earnings per share (EPS)	29		
Equity share of par value of Re. 1/- each			
Basic		15.73	11.09
Diluted		15.01	10.59

Notes forming integral part of the consolidated financial statements 1-43
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place : Mumbai
Date : February 10, 2026

**For and on behalf of the Board of Directors of
R Systems International Limited**

Nitesh Bansal
Managing Director & Chief Executive Officer
DIN: 10170738

Place : Philadelphia, USA
Date : February 10, 2026

Nand Sardana
Chief Financial Officer
Place : Greater Noida
Date : February 10, 2026

Ruchica Gupta
Chairperson & Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : February 10, 2026

Bhasker Dubey
Company Secretary & Compliance Officer
Place : Greater Noida
Date : February 10, 2026

Consolidated Statement of Cash Flows for the year ended December 31, 2025

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
A. Cash flows from operating activities		
Profit for the year	1,861.96	1,311.82
Adjustments for:		
Tax expense	689.75	603.20
Depreciation and amortisation expense	663.98	653.73
Provision for doubtful debts (net)	101.27	7.10
Provision for doubtful advances / other assets (net)	1.72	10.73
Employee share based payment expense	251.94	298.86
Unrealised foreign exchange (gain) / loss	(38.05)	5.57
Unrealised loss on derivative instruments	27.32	64.85
Interest income	(44.78)	(37.20)
Rental income from investment property	(9.00)	(7.86)
(Profit) / Loss on sale / disposal of property, plant and equipment (net)	(433.88)	0.09
(Profit) / Loss on discard of right-of-use assets	(0.06)	0.82
Liability no longer required written back	(9.24)	(21.34)
Interest expenses	141.74	83.95
Operating profit before working capital changes	3,204.67	2,974.32
Movements in working capital :		
(Increase) / Decrease in trade receivables	(1,110.97)	(57.84)
(Increase) / Decrease in other assets	(58.19)	(123.01)
Increase / (Decrease) in provisions	343.12	74.77
Increase / (Decrease) in trade payables and other liabilities	616.31	102.19
Cash generated from operations	2,994.94	2,970.43
Direct taxes paid, net of refunds	(796.25)	(617.78)
Net cash from operating activities (A)	2,198.69	2,352.65
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(395.16)	(81.85)
Purchase of intangible assets	(44.84)	(40.18)
Proceeds from sale of property, plant and equipment (net of capital gain tax) (refer to Note 36)	373.07	11.24
Advance received towards sale of assets (refer to Note 36)	-	70.00
Acquisition of subsidiary (net of cash and cash equivalents acquired amounting to Rs. 717.52 million) (refer to Note 35)	(3,282.48)	-
Payment to erstwhile shareholders of subsidiary	-	(56.67)
Investment in fixed deposits	(3.15)	(37.37)
Proceeds from fixed deposits	41.15	241.47

Consolidated Statement of Cash Flows for the year ended December 31, 2025

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Interest received	41.87	33.12
Rental income from investment property	9.00	7.86
Net cash (used in) / from investing activities (B)	(3,260.54)	147.62
C. Cash flows from financing activities		
Proceeds from long-term borrowings	16.77	11.12
Proceeds from Non-Convertible Debentures (net of issue expenses) (refer to Note 13)	2,673.80	-
Repayment of long-term borrowings	(13.98)	(14.23)
Proceeds from / (Repayment of) short-term borrowings (net)	390.11	(498.74)
Investment in margin money deposits	-	(0.93)
Payment of lease rentals (refer to Note 14)	(193.98)	(156.05)
Proceeds from exercise of Restricted Stock Units	0.13	-
Interest paid	(72.14)	(25.54)
Interim dividend paid (refer to Note 37)	(710.28)	(1,478.79)
Net cash from / (used in) financing activities (C)	2,090.43	(2,163.16)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,028.58	337.11
Add: Cash and cash equivalents at the beginning of the year	1,900.89	1,573.50
Add: Effect of exchange rate changes on cash and cash equivalents held in foreign currency	155.02	(9.72)
Cash and cash equivalents at the end of the year	3,084.49	1,900.89

Notes forming integral part of the consolidated financial statements 1-43

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place : Mumbai
Date : February 10, 2026

**For and on behalf of the Board of Directors of
R Systems International Limited**

Nitesh Bansal
Managing Director & Chief Executive Officer
DIN: 10170738

Place : Philadelphia, USA
Date : February 10, 2026

Nand Sardana
Chief Financial Officer
Place : Greater Noida
Date : February 10, 2026

Ruchica Gupta
Chairperson & Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : February 10, 2026

Bhasker Dubey
Company Secretary & Compliance Officer
Place : Greater Noida
Date : February 10, 2026

Consolidated Statement of Changes in Equity for the year ended December 31, 2025

A. Equity share capital

(Rs. in million)

Balance at January 01, 2025	Changes in equity share capital during the year (refer to Note 11)	Balance at December 31, 2025
118.31	0.10	118.40
Balance at January 01, 2024	Changes in equity share capital during the year	Balance at December 31, 2024
118.31	-	118.31

B. Other equity

(Rs. in million)

Particulars	Share application money pending allotment	Reserves and surplus						Other comprehensive income	Total other equity
		Capital reserve under common control	Capital reserve other	Capital redemption reserve	Securities premium account	Share based payment reserve	Retained earnings	Foreign currency translation reserve	
Balance at January 01, 2025	-	(0.34)	0.03	5.02	-	298.86	5,210.72	607.90	6,122.19
Profit for the year	-	-	-	-	-	-	1,861.96	-	1,861.96
Other comprehensive income / (loss) for the year*	-	-	-	-	-	-	(7.58)	273.63	266.05
Share-based payment expense (refer to Note 11)	-	-	-	-	-	257.88	-	-	257.88
Share application money received from employees	0.13	-	-	-	-	-	-	-	0.13
Shares issued on exercise of RSUs (refer to Note 11)	(0.10)	-	-	-	-	-	-	-	(0.10)
Transferred on account of exercise of RSUs (refer to Note 11)	-	-	-	-	51.44	(51.44)	-	-	-
Interim dividend paid (refer to Note 37)	-	-	-	-	-	-	(710.28)	-	(710.28)
Balance at December 31, 2025	0.03	(0.34)	0.03	5.02	51.44	505.30	6,354.82	881.53	7,797.83
Balance at January 01, 2024	-	(0.34)	0.03	5.02	-	-	5,386.98	604.37	5,996.06
Profit for the year	-	-	-	-	-	-	1,311.82	-	1,311.82
Other comprehensive income / (loss) for the year*	-	-	-	-	-	-	(9.29)	3.53	(5.76)
Share-based payment expense (refer to Note 11)	-	-	-	-	-	298.86	-	-	298.86
Interim dividend paid (refer to Note 37)	-	-	-	-	-	-	(1,478.79)	-	(1,478.79)
Balance at December 31, 2024	-	(0.34)	0.03	5.02	-	298.86	5,210.72	607.90	6,122.19

Consolidated Statement of Changes in Equity for the year ended December 31, 2025

*Loss of Rs. 7.58 million and Rs. 9.29 million on remeasurement of defined benefit plans (net of tax) is recognised as a part of retained earnings for the year ended December 31, 2025 and December 31, 2024, respectively.

Notes forming integral part of the consolidated financial statements 1-43

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Alka Chadha

Partner

(Membership No. 93474)

Place : Mumbai

Date : February 10, 2026

For and on behalf of the Board of Directors of

R Systems International Limited

Nitesh Bansal

Managing Director & Chief Executive Officer

DIN: 10170738

Place : Philadelphia, USA

Date : February 10, 2026

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Place : Greater Noida

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Chairperson & Non-Executive Independent Director

DIN: 06912329

Place : New Delhi

Date : February 10, 2026

Bhasker Dubey

Company Secretary & Compliance Officer

Place : Greater Noida

Date : February 10, 2026

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

1. Organization and nature of operations

R Systems International Limited (the 'Company' or 'the Parent Company') (Corporate Identification Number: L74899DL1993PLC053579) and its subsidiaries (hereinafter collectively referred to as 'the Group') is a public company domiciled in India having its registered office at New Delhi. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. The Group is a leading global provider of technology, artificial intelligence, intelligent process automation services and solutions along with knowledge services. The Group delivers its services and solutions to leading technology companies and businesses to enable their digital transformation. The Group's services and solutions span over six business verticals namely (i) Tech, Internet and Platforms, (ii) Health, (iii) Manufacturing & Logistics (M&L), (iv) Telecom, Media & Entertainment (TME), (v) Banking, Finance & Insurance (BFSI) and (vi) Services-others.

The Company has following subsidiaries:-

Name	Holding as at		Country of incorporation and other particulars
	December 31, 2025	December 31, 2024	
R Systems, Inc., USA	100%	100%	A company registered under the laws of California, USA in 1993 and subsidiary of the Company since January 2, 2001.
R Systems (Singapore) Pte Limited, Singapore	100%	100%	A company registered under the laws of Singapore in 1997 and subsidiary of the Company since September 19, 2000.
R Systems Technologies Limited, USA	100%	100%	A company registered under the laws of Delaware, USA in 1996 and subsidiary of the Company since April 1, 2002.
R Systems Consulting Services Limited Singapore	99.75%	99.75%	A company registered under the laws of Singapore in 1996. The Company has acquired majority share on January 8, 2004. R Systems Consulting Services Limited, Singapore has subsidiaries in Malaysia, Thailand, People's Republic of China, Hong Kong (Special Administrative Region), Japan and Vietnam. The shareholding by the Company and R Systems (Singapore) Pte Limited is 69.37% and 30.38% respectively.
R Systems Computaris International Limited, UK	100%	100%	A company registered under the laws of U.K in 2006. The Company has acquired the entire share on January 26, 2011. R Systems Computaris International Limited, U.K. has subsidiaries in Romania, Poland, Moldova, Malaysia, Switzerland and Philippines.
RSYS Technologies Ltd., Canada	100%	100%	A company registered under the laws of Canada in 2012 and subsidiary of the Company since October 29, 2012.
Velotio Technologies Private Limited	100% outstanding equity capital	100% outstanding equity capital	A private company registered under the Companies Act, 2013 in 2016 and the subsidiary of the Company since July 3, 2023.
RSIL Mexico, S. de R.L. de C.V.	100%	100%	A company registered under the laws of United Mexican States in 2024 and subsidiary of the Company since October 9, 2024.
Novigo Solutions Private Limited, India (refer to Note 35)	100% outstanding equity capital	-	A private company registered under the Companies Act, 2013 in 2013 and subsidiary of the Company since November 13, 2025.

R Systems Consulting Services Limited, Singapore has following wholly owned subsidiaries:

Name	Holding as at		Country of incorporation
	December 31, 2025	December 31, 2024	
R Systems Consulting Services (M) Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Consulting Services (Thailand) Co., Ltd.	100 %	100 %	Thailand
R Systems Consulting Services (Shanghai) Co., Ltd.	100 %	100 %	People's Republic of China
R Systems Consulting Services (Hong Kong) Limited.	100 %	100 %	Hong Kong (Special Administrative Region)
R Systems Consulting Services Kabushiki Kaisha	100 %	100 %	Japan
R Systems Consulting Services Company Limited (incorporated on October 17, 2022)	100 %	100 %	Vietnam

R Systems Computaris International Limited, UK has following wholly owned subsidiaries:

Name	Holding as at		Country of incorporation
	December 31, 2025	December 31, 2024	
R Systems Computaris Europe SRL	100 %	100 %	Romania
R Systems Computaris Poland sp z o.o	100 %	100 %	Poland
R Systems Computaris S.R.L	100 %	100 %	Moldova
R Systems Computaris Malaysia Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Computaris Philippines Pte. Ltd. Inc.	100 %	100 %	Philippines
R Systems Computaris Suisse Sarl	100 %	100 %	Switzerland

R Systems IBIZCS Pte. Ltd., Singapore is a wholly owned subsidiary of R Systems (Singapore) Pte Limited, Singapore w.e.f. April 30, 2015 and has following wholly owned subsidiaries:

Name	Holding as at		Country of incorporation
	December 31, 2025	December 31, 2024	
IBIZ Consulting Services Pte Ltd., Singapore (strike off w.e.f. January 08, 2024)	-	-	Singapore
R Systems IBIZ Sdn. Bhd.	100 %	100 %	Malaysia
PT. R Systems IBIZCS International	100 %	100 %	Indonesia
IBIZ Consulting (Thailand) Co. Ltd.	100 %	100 %	Thailand
IBIZ Consulting Service Limited (IBIZ HK)	100 %	100 %	Hong Kong (Special Administrative Region)
IBIZ Consulting Service Shanghai Co., Ltd	100% by IBIZ HK	100% by IBIZ HK	People's Republic of China

Novigo Solutions Private Limited is a wholly owned subsidiary of R Systems International Limited w.e.f. November 13, 2025 and has the following wholly owned subsidiaries:

Name	Holding as at December 31, 2025	Country of incorporation
Novigo Solutions Inc	100 %	United States of America
Novigo for Information Technology	100 %	Kingdom of Saudi Arabia
Novigo Solutions B.V.	100 %	Netherlands
Novigo Solutions Limited	100 %	United Kingdom

2. Summary of material accounting policies

(a) Basis of preparation and presentation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules as amended from time to time and other accounting principles generally accepted in India.

The Group has consistently applied accounting policies to all periods except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements of the Group have been prepared on accrual and going concern basis and under the historical cost convention except for certain financial instruments, equity settled share-based payment transactions, contingent consideration, net defined benefit obligations and other long term employee benefits, which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the

asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Based on the nature of services rendered to customers and the time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration of the services rendered, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(b) Functional and presentation currency

Items included in the consolidated financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The Group uses the Indian Rupee (INR) as its reporting currency, which is the functional currency of the Parent Company.

(c) Principles of consolidation

The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as laid down under Indian Accounting Standard (Ind AS) 110 Consolidated Financial Statements.

The consolidated financial statements include the financial statements of R Systems International Limited and its subsidiaries (as explained in note 1 above).

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.

The financial statements of the Company and its subsidiaries have been 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.

Minority interest's share in the net comprehensive income of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. In case the losses applicable to consolidated minority are in excess of minority interest in the equity of the subsidiary, the excess, and any further losses applicable to the minority are adjusted against majority interest except to the extent minority has a binding obligation to, and is able to, make good losses. If the subsidiary subsequently reports profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major component) of property, plant and equipment. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Group. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

An item of property, plant and equipment is derecognised upon disposal or retirement i.e. when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from disposal or retirement of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the Statement of Profit and Loss.

Amounts paid towards the acquisition of property, plant and equipment not received till the reporting date and the cost of property, plant and equipment received but not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP) respectively.

(e) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment and investment property less their estimated residual values using the straight line method over the useful lives of the assets estimated by the management. The assets residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review, and adjusted prospectively.

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives are in align with Part C of Schedule II of the Companies Act 2013.

The management estimates the useful lives are as follows:

Category	Useful life upto
Buildings	30 years
Leasehold land	Lease period
Leasehold improvements	Lower of lease period or useful life
Plant and equipment - air conditioners	5 years
Plant and equipment - other than air conditioners	15 years
Office Equipment (other than end user devices)	5 years
Office Equipment (end user devices)	3 years
Computer hardware and network installations (other than end user devices)	6 years
Computer hardware (end-user devices such as desktop, laptop, mobile phones etc.)	3 years

Furniture and fittings	10 years
Vehicles	8 years
Electrical Installation	10 years

(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The management estimates the useful lives are as follows:

Category	Useful life upto
Computer software	Lower of license period or 3 to 5 years
Customer Contract	Over the period of contract
Non-Compete	Period of Non-Compete

Expenditure incurred during development of intangible assets is included under "Intangible Assets under Development". The same is allocated to the respective items of intangible assets on completion of the project.

(g) Investment property

Investment property consists of land and building. Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, land is stated at cost and building is stated at cost less accumulated depreciation and accumulated impairment losses in accordance with Ind AS 16's requirements for cost model. Depreciation is recognised so as to write-off the cost less residual value over the useful life of 30 years, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in the statement of profit or loss in the period in which the property is derecognised.

(h) Business combination, Goodwill and Intangible assets

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities

incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs incurred in connection with a business combination are expensed as incurred.

a. Goodwill

The excess of the cost of acquisition over the Group's share in the fair value of the acquiree's identifiable assets, liabilities and contingent consideration is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in capital reserve.

b. Intangible assets

Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Company are accounted for using pooling of interest method as if the acquisition had occurred at the beginning of the earliest comparative period presented. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the transferor company. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately as Capital reserve under common control.

(i) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amounts are presented in the standalone balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net

basis or to realize the asset and settle the liability simultaneously.

(j) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss. All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate,

transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

(iii) Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

(iv) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial

asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Group, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- (i) For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- (ii) Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- (iii) For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

Write-off policy

The Group reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof, for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(k) Financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as:

- Financial liabilities at amortised cost
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. The change in measurements is recognised as finance costs in the Statement of Profit and Loss.
- Financial liabilities at fair value through profit or loss (FVTPL)
Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all change recognised in the Statement of Profit and Loss.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(l) Impairment

i. Financial assets

The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For trade receivables, the Group recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. Further, the Group considers information developed internally or obtained from external sources indicating that the debtor is unlikely to pay as constituting an event indicating credit impairment.

For other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ii. Non-financial assets (including goodwill)

The Group's non-financial assets, excluding deferred tax assets, are reviewed at each balance sheet date or whenever there is any indication of impairment based on internal/external factors. If any indications exist, the Group estimates the asset's recoverable amount.

For impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash flows from continuing use that are largely independent of the cash flows of other assets or CGUs. Goodwill acquired in a business combination is allocated to each of the CGUs

that are expected to benefit from the synergies arising from the business combination.

The recoverable amount of an asset or CGU is the greater of its fair value and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset or CGU.

An impairment loss is recognised wherever the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. They are first allocated to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Impairment losses in respect of goodwill are not subsequently reversed.

(m) Derivative financial instruments

The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or

exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(n) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds and interest on lease liabilities. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(o) Leases

Where the Group is a lessee

The Group lease asset classes primarily consist of leases for land, buildings, computer hardware and furniture. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at

or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease concessions received are accounted for as a lease modification and a corresponding adjustment is made to the carrying amount of the related right-of-use asset and lease liability.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

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

Where the Group is a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets comprising land and building which are subject to operating leases are included under non-current assets as investment property and are carried at cost less accumulated depreciation. Lease rental income on an operating lease is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

(p) Revenue

The Group derives revenue primarily from information technology services and business process outsourcing services. The Group recognises revenue when the performance obligations as promised have been satisfied and transaction price has been determined and when where there is no uncertainty as to measurement or collectability of the consideration.

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 these services as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable 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.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group collects indirect taxes like Goods and Services Tax, value added taxes (VAT) etc. on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Arrangements with customers for services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Revenue from fixed-price and fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised 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. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

Revenue from licenses where the customer obtain a right to use are recognised at the time the licenses is made available to the customers.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as unearned revenues).

Unbilled revenue for fixed price contracts are classified as non-financial asset if the contractual right to consideration is dependent on completion of contractual milestones. Unbilled revenue on contracts other than above is classified as a financial asset.

(q) Other Income

Other income includes interest income, net gain on foreign exchange fluctuations, rental income and gain on investments. Interest income is recognised on a time proportion basis taking into account the carrying amount and the effective interest rate. Dividend income is recognised when the Group's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(r) Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising if any are recognised in other comprehensive income and accumulated in equity.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the Statement of Profit and Loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

For translating income, expense and cash flows items, during the year ended December 31, 2025, the rates used were US \$ 1= Rs. 87.11, Euro 1= Rs. 98.42, Singapore \$ 1 = Rs. 66.65, Canadian \$ 1 = Rs. 62.33 and Mexican Peso 1 = Rs. 4.54. For translating assets and liabilities at the year-end, the rates used were US \$ 1= Rs. 89.88, Euro 1= Rs. 105.47, Singapore \$ 1 = Rs. 69.88, Canadian \$ 1= Rs. 65.59 and Mexican Peso 1= Rs. 5.00.

For translating income, expense and cash flows items, during the year ended December 31, 2024, the rates used were US \$ 1= Rs. 83.67, Euro 1= Rs. 90.52, Singapore \$ 1 = Rs. 62.62, Canadian \$ 1 = Rs. 61.07 and Mexican Peso 1 = Rs. 4.19. For translating assets and liabilities at the year-end, the rates used were US \$ 1= Rs. 85.62, Euro 1= Rs. 89.20, Singapore \$ 1 = Rs. 62.91, Canadian \$ 1 = Rs. 59.58 and Mexican Peso 1 = Rs. 4.12.

(s) Employee benefits

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all related employee benefits. The related risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

- (i) Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences and performance incentives are recognised on undiscounted basis in the year in which the employee renders the related service.
- (ii) The Group's contribution to social security plans such as provident fund, employee state insurance scheme, 401K etc. are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees
- (iii) Gratuity is a defined benefit obligation plan operated by the Company and its Indian subsidiaries for its employees covered under Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date and are charged to the Statement of Profit and Loss except for the re-measurements comprising of actuarial gains and losses which are recognised in full in the statement of other comprehensive income in the reporting period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss subsequently.

The provision for gratuity recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets, if any. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

(iv) Compensated absences

The employees of the Group are entitled to compensated absences. The employees of the Group can carry forward a portion of the unutilised accumulating compensated absences and utilise it in the future periods or receive cash at the retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the service that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to

pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

Accumulated compensated absences which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulating compensated absences which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Non-accumulating compensated absences are recognised in the period in which the absences occur.

The Group presents the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(t) Income taxes

Tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

The Group off sets current tax assets and current tax liabilities only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of

goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognised only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT credit available is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. MAT credit asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement" under deferred tax assets.

(u) Segment reporting

The Group determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Each segment item reported is measured at the measure used to report to the CODM for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Inter segment transfers:

The Group generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

The corporate and other segment includes general corporate income and expense items which are not allocated to any business segment.

(v) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources. The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

(w) Share based payments

The cost of equity-settled transaction is determined by the fair value of the options at the date of the grant and recognised as employee benefits expense over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The expense recognised in the Statement of Profit and Loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

(x) Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation

at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(y) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

(z) Cash and cash equivalents

Cash and cash equivalents comprises bank balances, cash on hand and short term deposits with an original maturity period of three months or less.

(aa) Assets held for sale

The Group classifies non-current assets as held for sale when it is highly probable that they will be recovered primarily through sale rather than through continuing use. Items of property, plant and equipment, intangible assets and investment property, once classified as non-current assets, are no longer depreciated or amortised. Such assets are presented separately from the other assets in the Balance Sheet. They are measured at lower of their carrying value and fair value less cost to sell.

(ab) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of year. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and judgements

i. Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii. **Income taxes**

The Group's major tax jurisdiction is India, though the Group also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes.

The Group reviews carrying amount of deferred tax assets / liabilities at the end of each reporting period.

iii. **Useful life of property, plant and equipment**

The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

iv. **Leases**

The Group considers the extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability.

v. **Impairment of goodwill**

The calculation of value-in-use of cash generating unit involves use of significant estimates and assumptions, which include turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

vi. **Business Combination and Intangible Assets**

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the acquirer to recognise the identifiable intangible assets and consideration at fair value. Estimates are required to be made in determining the value of consideration, value of option arrangements and intangible assets. These valuations are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management.

vii. **Employee benefit plans**

The present value of provision for gratuity and other long-term employee benefit is based on actuarial valuation using the projected unit credit method. An actuarial valuation involved various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, provision for gratuity and other long-term employee benefit is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

viii. **Employee share-based payments**

The Group measures compensation cost relating to employee share-based payments using the fair valuation method. Fair value of time-based restricted stock units (RSUs) was determined using Black Scholes model. The expected number of performance-based RSUs is determined using Monte Carlo Simulation.

(ac) **Rounding of amounts**

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest million with two decimals as per the requirement of Schedule III, unless otherwise stated.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Application of new and revised Indian Accounting Standards

- a) On May 07, 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025 effective from May 07, 2025 and amended the following Ind-ASs:
 - Amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates
- b) On August 13, 2025, MCA issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 effective from August 13, 2025 and amended the following Ind-AS:
 - Amendments to Ind AS 101 – First Time Adoption
 - Amendments to Ind AS 107 – Financial Instruments: Disclosures
 - Amendments to Ind AS 1 – Preparation of Financial Statements
 - Amendments to Ind AS 7 – Statement of Cash Flows
 - Amendments to Ind AS 10 – Events after Reporting Period
 - Amendments to Ind AS 12 – Income Taxes
 - Amendments to Ind AS 28 – Investments in Associates and Joint Ventures

These amendments does not have any material impact on the Consolidated Financial Statements of the Company.

Amendments issued during the year which are not yet effective.

There are no new amendments which has been issued during the year and are not yet effective.

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

3 (a). Property, plant and equipment

(Rs. in million)

Particulars	Buildings	Leasehold improvements	Plant and equipment	Electric installation	Furniture and fittings	Computer hardware	Vehicles ¹	Office equipment	Total
At cost									
Gross Block									
As at January 01, 2024	85.77	62.68	63.80	20.40	133.23	1,377.49	129.97	73.76	1,947.10
Additions	-	1.71	2.63	-	1.42	125.56	19.44	2.89	153.65
Classified as held for sale	(85.77)	-	(49.38)	(17.89)	(75.56)	(17.52)	-	(19.60)	(265.72)
Deletions	-	(0.41)	(3.30)	(1.84)	(6.32)	(161.27)	(23.85)	(9.33)	(206.32)
Foreign currency translation difference	-	(1.98)	-	-	(0.66)	1.48	0.08	(1.16)	(2.24)
As at December 31, 2024	-	62.00	13.75	0.67	52.11	1,325.74	125.64	46.56	1,626.47
Addition through Business Combination (refer to Note 35)	-	19.94	-	12.47	20.46	51.31	12.94	11.66	128.78
Additions	-	37.08	9.15	4.85	3.46	309.73	29.18	13.97	407.42
Deletions	-	(1.95)	(0.88)	(0.02)	(3.27)	(153.05)	(16.60)	(8.53)	(184.30)
Foreign currency translation difference	-	6.08	-	2.00	0.38	43.52	0.15	2.04	54.17
As at December 31, 2025	-	123.15	22.02	19.97	73.14	1,577.25	151.31	65.70	2,032.54
Accumulated Depreciation									
As at January 01, 2024	46.56	40.13	41.51	19.58	113.50	972.35	44.51	61.55	1,339.69
Charge for the year	3.19	9.22	4.38	0.23	6.56	213.48	15.75	5.75	258.56
Classified as held for sale	(49.75)	-	(34.54)	(17.49)	74.01	(17.51)	-	(19.40)	(212.70)
Deletions	-	(0.41)	(2.99)	(1.84)	(5.42)	(160.44)	(14.70)	(8.89)	(194.69)
Foreign currency translation difference	-	(1.07)	-	-	(0.34)	1.26	0.03	(1.10)	(1.22)
As at December 31, 2024	-	47.87	8.36	0.48	40.29	1,009.14	45.59	37.91	1,189.64
Addition through Business Combination (refer to Note 35)	-	3.99	-	3.98	7.54	44.50	12.94	5.76	78.71
Charge for the year	-	9.41	2.52	0.41	3.86	183.97	16.93	5.14	222.24
Deletions	-	(1.91)	(0.70)	(0.02)	(3.24)	(151.34)	(10.58)	(7.73)	(175.52)
Foreign currency translation difference	-	4.33	-	2.00	(0.13)	36.17	0.03	1.40	43.80
As at December 31, 2025	-	63.69	10.18	6.85	48.32	1,122.44	64.91	42.48	1,358.87
Net Block									
As at December 31, 2024	-	14.13	5.39	0.19	11.82	316.60	80.05	8.65	436.83
As at December 31, 2025	-	59.46	11.84	13.12	24.82	454.81	86.40	23.22	673.67

Notes:

(1) Gross block of vehicles amounting to Rs. 64.85 million (as at December 31, 2024 : Rs. 56.72 million) are hypothecated against terms loans for vehicle financed from a non-banking financial corporation. Also refer to Note 13.

(2) Refer to Note 40 for Capital Commitment.

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

3 (b). Capital work in progress ageing schedule

(Rs. in million)

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
As at December 31, 2025	1.34	-	-	-	1.34
As at December 31, 2024	-	-	-	-	-

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

Movement during the year:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening balance	-	-
Addition during the year	129.53	53.37
Transferred to property, plant and equipment	(128.19)	(53.37)
Closing balance	1.34	-

3 (c). Investment property

(Rs. in million)

Particulars	Land	Building	Total
At cost			
Gross block			
As at January 01, 2024	4.77	31.19	35.96
Additions	-	-	-
Deletions	-	-	-
As at December 31, 2024	4.77	31.19	35.96
Additions	-	-	-
Deletions	-	-	-
As at December 31, 2025	4.77	31.19	35.96
Accumulated depreciation			
As at January 01, 2024	-	20.00	20.00
Charge for the year	-	1.49	1.49
Deletions	-	-	-
As at December 31, 2024	-	21.49	21.49
Charge for the year	-	1.48	1.48
Deletions	-	-	-
As at December 31, 2025	-	22.97	22.97
Net block			
As at December 31, 2024	4.77	9.70	14.47
As at December 31, 2025	4.77	8.22	12.99

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

3 (c). Investment property (contd.)

Measurement of fair values

Investment property consists of freehold land and building situated at Pune, India and is accounted for at cost. There is no impairment in respect of the investment property.

The Company has estimated that the fair value of investment property is Rs. 120.00 million (Previous year: Rs. 110.60 million). The fair value of the same is as assessed by an independent valuer registered under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, as amended from time to time, using market comparable approach that reflects recent transaction prices for similar properties. The valuation method is categorised as level 2 measurement in the fair value hierarchy. For fair value hierarchy refer to note 30.

The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repair, maintenance or enhancements.

The rental income generated from the investment property is Rs. 9.00 million (Previous Year: Rs. 7.86 million).

The expenses incurred by investment property are as follows:

- (i) Directly relating to rental income - Rs. Nil (Previous Year: Rs. Nil)
- (ii) Not directly relating to rental income - Rs. 0.27 million (Previous Year: Rs. 0.38 million)

3 (d). Right-of-use assets

(Rs. in million)

Particulars	Land Leasehold	Building	Computer hardware	Furniture and fittings	Computer software	Total
Gross Block						
As at January 01, 2024	15.30	869.07	17.99	106.89	2.81	1,012.06
Additions	-	32.91	-	-	-	32.91
Modification of lease	-	(10.77)	-	(2.88)	-	(13.65)
Classified as held for sale	(15.30)	-	-	-	-	(15.30)
Retirement on completion/termination of lease	-	(47.18)	(17.72)	-	(2.77)	(67.67)
Foreign currency translation difference	-	(3.58)	(0.27)	-	(0.04)	(3.89)
As at December 31, 2024	-	840.45	-	104.01	-	944.46
Addition through Business Combination (refer to Note 35)	-	126.37	-	-	-	126.37
Additions	-	276.62	-	-	-	276.62
Modification of lease	-	(0.73)	-	(1.02)	-	(1.75)
Retirement on completion/termination of lease	-	(41.61)	-	-	-	(41.61)
Foreign currency translation difference	-	44.39	-	-	-	44.39
As at December 31, 2025	-	1,245.49	-	102.99	-	1,348.48
Accumulated Depreciation						
As at January 01, 2024	4.16	322.54	17.80	36.21	2.80	383.51
Charge for the year	0.16	125.59	0.11	10.11	0.01	135.98
Classified as held for sale	(4.32)	-	-	-	-	(4.32)
Retirement on completion/termination of lease	-	(43.75)	(17.64)	-	(2.77)	(64.16)
Foreign currency translation difference	-	(2.09)	(0.27)	-	(0.04)	(2.40)
As at December 31, 2024	-	402.29	-	46.32	-	448.61
Addition through Business Combination (refer to Note 35)	-	21.21	-	-	-	21.21
Charge for the year	-	143.17	-	9.59	-	152.76
Retirement on completion/termination of lease	-	(39.89)	-	-	-	(39.89)
Foreign currency translation difference	-	29.23	-	-	-	29.23
As at December 31, 2025	-	556.01	-	55.91	-	611.92
Net Block						
As at December 31, 2024	-	438.16	-	57.69	-	495.85
As at December 31, 2025	-	689.48	-	47.08	-	736.56

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

3 (e). Goodwill

(Rs. in million)

Particulars	Total
As at January 01, 2024	2,836.58
Foreign currency translation difference	(0.34)
As at December 31, 2024	2,836.24
Addition through Business Combination (refer to Note 35)	4,104.56
Foreign currency translation difference	15.94
As at December 31, 2025	6,956.74

Impairment testing:

- Goodwill amounting to Rs. 2,657.40 million (previous year Rs. 2,657.40 million) and Rs. 68.06 million (previous year Rs. 68.06 million) pertains to the acquisition of Velotio Technologies Private Limited and Scaleworx Technologies Private Limited, respectively. The recoverable amount of this Cash-Generating Unit (CGU) is determined based on a value in use calculation which uses cash flow projections covering a five-year period, and a pre-tax discount rate of 15.00% per annum. The annual growth rate of 5% is used subsequent to the forecast period of 5 years.
- Goodwill amounting to Rs. 4,104.56 million pertains to the acquisition of Novigo Solutions Private Limited during the year. The recoverable amount of this Cash-Generating Unit (CGU) is determined based on a value in use calculation which uses cash flow projections covering a five-year period, and a pre-tax discount rate of 15.20% per annum. The annual growth rate of 5% is used subsequent to the forecast period of 5 years.
- The remaining amount of goodwill of Rs. 126.73 million and Rs. 110.78 million as at December 31, 2025 and December 31, 2024, respectively, (relating to different CGUs which are individually immaterial) has been evaluated based on a value in use calculation which uses cash flow projections of the related CGUs covering a five-year period, and a pre-tax discount rate of 15.00% per annum. The annual growth rate of 5% is used subsequent to the forecast period of 5 years.

Cash flow projections are based on management's assessment of future trends and are also based on historical data. Terminal growth rates (beyond 5 years) for goodwill impairment has been estimated based on macroeconomic conditions and business factors prevalent.

The Company has conducted an analysis of the sensitivity of the key assumptions used i.e. operating margin, discount rates and long-term average growth rate to determine the recoverable amount for CGUs to which goodwill is allocated. Based on analysis, the Company did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

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

3 (f). Other intangible assets

(Rs. in million)

Particulars	Software	Non-compete	Customer contract	Total
At cost				
Gross Block				
As at January 01, 2024	141.20	538.64	1,790.49	2,470.33
Additions	0.04	-	-	0.04
Deletions	(59.10)	-	-	(59.10)
Foreign currency translation difference	(0.90)	0.08	(0.55)	(1.37)
As at December 31, 2024	81.24	538.72	1,789.94	2,409.90
Addition through Business Combination (refer to Note 35)	-	33.04	1,116.38	1,149.42
Additions	84.03	-	-	84.03
Deletions	(3.33)	-	-	(3.33)
Foreign currency translation difference	6.48	0.39	4.26	11.13
As at December 31, 2025	168.42	572.15	2,910.58	3,651.15
Accumulated amortisation				
As at January 01, 2024	134.54	39.60	114.99	289.13
Charge for the year	4.05	77.08	176.57	257.70
Deletions	(59.08)	-	-	(59.08)
Foreign currency translation difference	(0.92)	0.07	(0.55)	(1.40)
As at December 31, 2024	78.59	116.75	291.01	486.35
Charge for the year	14.04	78.66	194.80	287.50
Deletions	(3.33)	-	-	(3.33)
Foreign currency translation difference	8.75	0.31	4.22	13.28
As at December 31, 2025	98.05	195.72	490.03	783.80
Net Block				
As at December 31, 2024	2.65	421.97	1,498.93	1,923.55
As at December 31, 2025	70.37	376.43	2,420.55	2,867.35

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

3 (g). Intangible assets under development ageing schedule

(Rs. in million)

Projects in progress	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
As at December 31, 2025	-	-	-	-	-
As at December 31, 2024	40.53	-	-	-	40.53

As on the date of the balance sheet, there is no intangible asset under development whose completion is overdue or has exceeded the cost, based on approved plan.

Movement during the year:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening balance	40.53	-
Addition during the year	43.50	40.53
Transferred to Intangible assets - Software	(84.03)	-
Closing balance	-	40.53

4. Investments

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Non-current investments		
Unquoted investments (fully paid), measured at FVTPL		
Investment in Saraswat Co-operative Bank Ltd		
2,500 (previous year 2,500) shares of Rs. 10 each fully paid up	0.03	0.03
Total investments measured at FVTPL	0.03	0.03
Aggregate carrying value of Non-current unquoted investments	0.03	0.03

5. Other non-current financial assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Security deposits	55.73	25.67
Margin money deposits (refer to Note 8b)	32.69	32.24
Bank deposits to be matured after 12 months from reporting date (refer to Note 8b)	0.30	-
Interest accrued on bank deposits	0.17	0.13
Staff advance	0.05	0.17
	88.94	58.21

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

6. Other non-current assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Prepaid expenses	40.74	37.91
	40.74	37.91

7. Trade receivables

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good*	4,106.61	2,573.09
Unsecured, credit impaired	271.69	76.26
Less: Allowance for doubtful debts (expected credit loss allowance)	(271.69)	(76.26)
	4,106.61	2,573.09

*Related party balances (refer to Note 34)

0.45

1.67

(Rs. in million)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2025							
Undisputed, considered good	2,437.19	1,642.00	25.34	2.08	-	-	4,106.61
Undisputed, credit impaired	15.29	81.09	99.62	54.72	9.74	1.46	261.92
Disputed, credit impaired	-	1.52	4.38	3.37	0.50	-	9.77
As at December 31, 2024							
Undisputed, considered good	1,830.01	736.20	3.55	3.33	-	-	2,573.09
Undisputed, credit impaired	8.17	18.98	34.65	6.52	7.47	-	75.79
Disputed, credit impaired	-	-	0.47	-	-	-	0.47

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Group estimates the following matrix at the reporting date.

Particulars	Ageing*			
	Not due-90 days	90-180 days	180-365 days	More than 365 days
Default rate as at December 31, 2025	0.00% - 0.32%	0.00% - 1.11%	0.01% - 2.00%	2.00%
Default rate as at December 31, 2024	0.00% - 0.36%	0.00% - 0.97%	0.17% - 2.00%	2.00%

*In case of probability of non-collection, credit loss rate is 100%

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

7. Trade receivables (contd.)

Movement in expected credit loss allowance:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Balance at the beginning of the year	76.26	126.24
Provision added through Business Combination (refer to Note 35)	95.66	-
Provision for doubtful debts (net)	101.27	7.10
Bad debts written off	(9.41)	(57.69)
Effect of foreign exchange fluctuation / translation	7.91	0.61
Balance at the end of the year	271.69	76.26

8a. Cash and cash equivalents

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
(a) Cash on hand	1.47	1.01
(b) Balances with scheduled banks		
(i) in current accounts	479.65	221.86
(ii) in EEFC accounts	214.35	110.02
(iii) in deposit accounts with original maturity of less than 3 months	90.00	167.58
(c) Balances with other banks		
(i) in current accounts	1,940.60	1,176.51
(ii) in deposit accounts with original maturity of less than 3 months	358.42	223.91
	3,084.49	1,900.89

8b. Bank balances other than cash and cash equivalents

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
(a) In other deposit accounts		
(i) original maturity more than 12 months	0.30	47.47
(ii) original maturity more than 3 months but less than 12 months	51.25	32.87
(iii) held as margin money	32.69	32.24
Deposits with banks	84.24	112.58
Less: Bank deposits with original maturity of more than 12 months disclosed under Note 9	-	(47.47)
Less: Bank deposits to be matured after 12 months from reporting date disclosed under Note 5	(0.30)	-
Less: Margin money deposit disclosed under Note 5	(32.69)	(32.24)
	51.25	32.87
(b) Balances with scheduled banks		
(i) in unclaimed dividend accounts	5.39	3.70
	56.64	36.57

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

9. Other current financial assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Staff advance	18.28	8.29
Unbilled revenue (refer to Note 22)	793.96	697.05
Security deposits	18.76	30.53
Bank deposits with original maturity of more than 12 months (refer to Note 8b)	-	47.47
Interest accrued on bank deposits	2.13	2.40
Others	37.12	11.92
	870.25	797.66

10. Other current assets

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Balances with indirect tax authorities	164.55	142.14
Unbilled revenue (refer to Note 22)	367.20	126.23
Prepaid expenses	276.28	224.31
Advance to vendors	26.39	7.85
Tour and travel advance	1.20	1.83
	835.62	502.36

11. Equity share capital

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Authorised		
206,000,000 (December 31, 2024: 206,000,000) equity shares of Re. 1 each	206.00	206.00
Issued, subscribed and fully paid up		
118,403,582 (December 31, 2024: 118,303,445) equity shares of Re. 1 each	118.40	118.31
	118.40	118.31

Notes:

(a) Reconciliation of number of shares and amount of share capital outstanding at the beginning and at the closing of the year:

Particulars	Year Ended December 31, 2025		Year Ended December 31, 2024	
	Number of shares	Rs. in million	Number of shares	Rs. in million
At the beginning of the year	118,303,445	118.31	118,303,445	118.31
Changes during the year	100,137	0.10	-	-
Outstanding at the closing of the year	118,403,582	118.40	118,303,445	118.31

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

11. Equity share capital (contd.)

(c) Shares held by holding company :

Particulars	As at December 31, 2025	As at December 31, 2024
BCP Asia II TOPCO II Pte Ltd.	61,433,005	61,433,005

No shares are held by the ultimate holding company. Refer to Note 34 with respect to ultimate holding company.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(i) Shares issued pursuant to merger of RightMatch Holdings Limited:

The scheme of amalgamation was approved by Hon'ble National Company Law Tribunal, New Delhi vide order dated February 01, 2021 and the Supreme Court of Mauritius vide order dated September 14, 2020 and amended order dated September 21, 2020, between RightMatch Holdings Limited (RightMatch) and the Company and their respective shareholders and creditors. Pursuant to the necessary filing with appropriate statutory authorities in India and Mauritius, the scheme became effective on March 09, 2021 and 8,828,489 fully paid equity shares of the face value of Re. 1/- each of the Company were issued and allotted to the equity shareholders of RightMatch in the proportion of their respective equity shareholding in RightMatch and equivalent number of shares of the Company as held by RightMatch were cancelled and extinguished.

(ii) Shares bought back:

During the year ended December 31, 2021, the Company bought back 1.33 million equity shares of Re. 1 each at a price of Rs. 225/- per equity share, payable in cash for a total consideration of Rs. 299.93 million by utilising the securities premium account of Rs. 46.66 million, general reserve of Rs. 155.04 million and retained earnings to the extent of 96.90 million. The capital redemption reserve was created out of retained earnings for Rs. 1.33 million being the nominal value of equity shares bought back in terms of Section 68 of the Companies Act, 2013. The equity shares bought back were extinguished on October 14, 2021. Further, the Company has apportioned Rs. 69.87 million out of retained earnings towards tax on aforesaid buy-back.

(e) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at December 31, 2025		As at December 31, 2024	
	No. of shares held	% of Holding	No. of shares held	% of Holding
BCP Asia II TOPCO II Pte Ltd.	61,433,005	51.88%	61,433,005	51.93%
Bhavook Tripathi	24,255,235	20.49%	24,313,676	20.55%

As per secretarial 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.

(f) Shareholding of promoters

Name of promoter	As at December 31, 2025		As at December 31, 2024		Percentage change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
BCP Asia II TOPCO II Pte Ltd.	61,433,005	51.88%	61,433,005	51.93%	-

(g) Employees Stock Option Plan:

On November 15, 2023, Shareholders of the Holding Company, upon approval of the Board of Directors of the Company and recommendation of the Nomination, Remuneration and Compensation Committee ("NRCC"), have approved R Systems International Limited Management Incentive Plan 2023 ("Plan") to grant the eligible employees of the Group, such number of employee stock options ("Options") and restricted stock units ("RSUs") exercisable into not more than 8,000,000 (Eight million) equity shares of face value Re. 1/- each.

The Plan is implemented and administered by the NRCC. Each RSUs shall vest into one equity share as per the terms and conditions mentioned in the Plan at an exercise price of Re. 1 per share.

During the year ended December 31, 2025, the NRCC has approved the grant of 805,380 (previous year 5,907,586) RSUs under the plan to the identified employees of the Company and its subsidiaries. Further, during the year ended December 31, 2025, the Company has allotted 100,137 equity shares (previous year: NIL) pursuant to exercise of 100,137 RSUs.

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

11. Equity share capital (contd.)

Further, the Company has transferred an amount of Rs. 51.44 million from share-based payment reserve to securities premium account being the share based payment expense pertaining to equity shares allotted during the year.

Based upon the vesting criteria, the RSU's have been classified as time-based RSU's and Performance-based RSU's.

Time-based RSUs:

In case of time-based RSUs, the vesting period is 60 months (20% vesting in each year) commencing from the date of grant per the vesting schedule.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2025	Year ended December 31, 2024
Outstanding at the beginning of the year	538,244	-
Granted during the year	82,557	579,114
Exercised during the year	(100,137)	-
Forfeited / lapsed / surrendered	(77,816)	(40,870)
Outstanding at the end of the year	442,848	538,244
Weighted average remaining contractual life at the end of the year	1.74 years	2.05 years

The weighted average fair value of time-based RSUs on the date of grant is Rs. 402.72 (previous year: Rs. 498.60). The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Inputs	Options granted during the year ended December 31, 2025	Options granted during the year ended December 31, 2024
Weighted average share price on date of grant	Rs. 424.60	Rs. 518.74
Exercise price	Re. 1	Re. 1
Expected volatility (in %)*	37.71% to 46.54%	33.30% to 48.36%
Life of RSUs granted during the year	5 years i.e. 20% vesting at the end of each year from the date of grant	5 years i.e. 20% vesting at the end of each year from the date of grant
Vesting and exercise period [#]	5 years	5 years
Expected Dividend yield (in %)	1.70%	1.70%
Risk-free interest rate (in %)	5.57% to 6.57%	6.48% to 7.03%

*Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#]RSUs shall be automatically exercised upon vesting.

Performance-based RSUs (market based performance conditions):

The vesting of Performance-based RSUs will be determined subject to satisfaction of the performance obligations as stated under the Plan.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2025	Year ended December 31, 2024
Outstanding at the beginning of the year	5,186,461	-
Granted during the year	686,823	5,328,472
Exercised during the year	-	-
Forfeited / lapsed / surrendered	(406,507)	(142,011)
Outstanding at the end of the year	5,466,777	5,186,461
Weighted average remaining contractual life at the end of the year	4.36 years	5.36 years

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

11. Equity share capital (contd.)

In order to determine total performance-based RSUs that are possible to vest i.e. fulfilment of the performance obligations, Monte Carlo Simulation ("MCS") method has been used. As per the MCS method, the external valuer has arrived that the performance obligation will be fulfilled by May 10, 2030 and 50% of the performance-based RSUs will vest. Various assumptions/inputs used for valuation exercise is given below:

Inputs	Options granted during the year ended December 31, 2025	Options granted during the year ended December 31, 2024
Weighted average share price on date of grant	Rs. 443.61	Rs. 521.94
Exercise price	Re. 1	Re. 1
Expected volatility (in %)*	44.50% to 47.50%	47.30% to 48.30%
Expected Life of RSUs and exercise period [#]	4.36 years	5.36 years
Expected Dividend yield (in %)	1.70%	1.70%
Risk-free interest rate (in %)	6.00% to 6.60%	6.70% to 7.00%

Performance-based RSUs (non-market based performance conditions):

The vesting of Performance-based RSUs will be subject solely to the employee's individual performance for each vesting year. The RSUs will vest over a 48-month period, with 25% vesting each year, provided that the employee meets the required performance criteria for the respective year.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2025
Outstanding at the beginning of the year	-
Granted during the year	36,000
Exercised during the year	-
Forfeited / lapsed / surrendered	-
Outstanding at the end of the year	36,000
Weighted average remaining contractual life at the end of the year	2.37 years

The weighted average fair value of Performance-based RSUs (non-market based performance conditions) on the date of grant is Rs. 312.68. The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Inputs	Options granted during the year ended December 31, 2025
Weighted average share price on the date of grant	Rs. 409.60
Exercise price	Re. 1
Expected volatility (in %)*	36.60% to 42.50%
Life of RSUs granted during the year	4 years i.e. 25% vesting at the end of each year from the date of grant
Exercise period [#]	4 years
Expected Dividend yield (in %)	1.70%
Risk-free interest rate (in %)	5.60% to 6.10%

*Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#]RSUs shall be automatically exercised upon vesting.

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

11. Equity share capital (contd.)

During the year ended December 31, 2025, an amount of Rs. 257.88 million was credited to the Share based Payment Reserve. This amount comprises share based payment expense of Rs. 251.94 million and a translation impact of Rs. 5.94 million.

During the year ended December 31, 2024, the Group has recorded Rs. 298.86 million as share based payment expense relating to RSUs granted to its employees.

Subsequent to the year ended December 31, 2025, the Holding Company has allotted 60,495 equity shares of Re. 1/- each on January 17, 2026, upon the exercise of 60,495 Restricted Stock Units (RSUs) under the Plan.

(h) Also refer to Note 35 and 38.

12. Other equity

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
a. Share application money pending allotment Share application money pending allotment represents amounts received from employees pursuant to exercise of RSUs. It will be transferred to share capital account upon allotment.	0.03	-
b. Capital reserve under common control Capital reserve under common control represent reserves recorded upon business transfer under common control.	(0.34)	(0.34)
c. Capital reserve other Capital reserve other represent excess of the net assets of subsidiary over the value of the amount of the consideration paid in the consolidated financial statements.	0.03	0.03
d. Capital redemption reserve Capital redemption reserve was created by transfer from general reserve of an amount equal to the nominal value of equity shares bought back by the Company. It is utilised in accordance with the provisions of the Companies Act, 2013.	5.02	5.02
e. Securities premium Securities premium is used to record premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.	51.44	51.44
f. Share based payment reserve The share-based payment reserve account is used to record the value of equity-settled share based payment transactions with the employees of the Group. The amounts recorded in this account are transferred to securities premium account upon exercise of stock options by the employees. In case of forfeiture, corresponding balance is transferred to general reserve.	505.30	298.86
g. Retained earnings Retained earnings comprises undistributed earnings after taxes.	6,354.82	5,210.72
h. Other comprehensive income Foreign currency translation reserve Exchange difference relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.	881.53	607.90
	7,797.83	6,122.19

Notes:

(1) Year-wise movement of the individual line items above is given in the Consolidated Statement of Changes in Equity.

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

13. Borrowings (non-current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Secured borrowings - at amortised cost		
Term loans		
Motor vehicle loan from non banking financial corporation (refer to Note 1 below)	27.26	24.47
Less:		
Current maturities of term loans (disclosed under Note 17)	11.42	11.46
Total - Secured borrowings (A)	15.84	13.01
Unsecured borrowings - at amortised cost		
Non-convertible debentures (refer to Note 2 below)	2,675.91	-
Total - Unsecured borrowings (B)	2,675.91	-
Total borrowing (A+B)	2,691.75	13.01

Notes:

- Motor vehicle loans are secured by hypothecation of underlying motor vehicles and carries interest rate ranging from 7.45% to 9.63% (previous year 7.30% to 9.63%) per annum. The term loans are repayable in equated monthly instalments ranging from 36 to 60 months from the date of loan.
- During the year, the Company issued 27,500 listed, rated, unsecured, senior, redeemable, non-convertible debentures ("NCDs") of the face value of Rs. 1 Lakh each, aggregating to Rs. 2,750.00 million @9.75% p.a. through private placement which were allotted on November 11, 2025. The interest is payable quarterly and first interest payment was made by the due date of December 31, 2025. The NCD's are repayable in equal semi-annual installments of Rs. 458.33 million commencing from the end of the 30th month from the date of allotment. The NCD's are listed on BSE Limited. The proceeds of NCD's were utilised for the part payment of the acquisition of 100% equity shares of Novigo Solutions Private Limited. The NCD's were recognised net of transaction cost of Rs. 76.20 million.

14. Lease liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Non-Current	788.60	561.28
Current	163.09	90.21
	951.69	651.49

Movement schedule of lease liabilities is as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening balance	651.49	732.59
Addition through Business Combination (refer to Note 35)	128.12	-
Additions during the year	286.01	32.91
Modification of lease	(1.93)	(13.65)
Cancellation / termination of lease	(0.62)	(2.61)
Interest accrued on lease liability	66.02	60.67
Payment of lease rental	(193.98)	(156.05)
Effect of foreign exchange fluctuation / translation	16.58	(2.37)
Closing balance	951.69	651.49

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

14. Lease liabilities (contd.)

Amounts with respect to leases recognised in the Statement of Profit & Loss:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Interest expense on lease liabilities (refer to Note 25)	66.02	60.67
Depreciation on right-of-use assets (refer to Note 26)	152.76	135.98
Expenses relating to short-term leases	73.39	56.71
Expenses relating to leases of low-value assets	0.32	0.29

Lease liabilities and corresponding Right-of-use assets (ROU) represent office building and furniture taken on lease for carrying out business operations. Refer to Note 3(d) for ROU asset schedule disclosing the classwise addition made during the year alongwith the carrying amount as at the end of the reporting period.

Contractual maturities of lease liabilities has been disclosed in Note 31.

15. Other non-current financial liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Security deposit	15.28	12.18
	15.28	12.18

16. Provisions (non-current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits		
- Gratuity	576.39	327.63
	576.39	327.63

Refer to Note 24 for detailed disclosures of gratuity.

17. Borrowings (current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Secured borrowings - at amortised cost		
Cash credit facility from scheduled banks (refer Note below)		
ICICI Bank Limited	246.48	52.86
Axis Bank Limited	196.49	-
Current maturities of term loans	11.42	11.46
	454.39	64.32

Notes:

- (1) Cash credit facilities are secured by first pari-passu charge by way of hypothecation on entire current assets of the Company present and future.
- (2) Cash credit facility from ICICI Bank Limited is repayable on demand and carries interest @ 6 months I-MCLR.
- (3) Cash credit facility from Axis Bank Limited is repayable on demand and carries interest @ 1 month MCLR plus spread of 0.10% per annum.

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

18. Trade payables

Trade payable ageing schedule:

(Rs. in million)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2025					
Micro enterprises and small enterprises	12.94	-	-	-	12.94
Others	373.23	1.94	-	0.18	375.35
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	386.17	1.94	-	0.18	388.29
Unbilled dues					752.93
Total					1,141.22
As at December 31, 2024					
Micro enterprises and small enterprises	3.30	-	-	-	3.30
Others	183.55	-	-	-	183.55
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	186.85	-	-	-	186.85
Unbilled dues					219.38
Total					406.23

Dues to micro enterprises and small enterprises

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	12.94	3.30
The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

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

19. Other current financial liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Security deposits received	15.08	13.37
Unclaimed dividend	5.39	3.70
Mark-to-market loss on derivative instruments (refer to Note 31)	82.77	55.45
Employee benefits payable	1,210.08	812.61
Capital creditors	31.05	0.71
Advance from customers	8.56	14.46
Interest accrued but not due	1.81	0.39
Other financial liabilities	11.48	7.73
	1,366.22	908.42

20. Other current liabilities

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Statutory dues payable	301.56	237.78
Unearned revenues (refer to Note 22)	547.02	249.21
Advance against sale of building (refer to Note 36)	-	70.00
	848.58	556.99

21. Provisions (current)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits		
- Gratuity	93.36	43.28
- Compensated absences	458.82	339.52
Provision for Corporate social responsibility (CSR)	4.81	0.41
	556.99	383.21

Refer to Note 24 for detailed disclosures of gratuity.

22. Revenue from operations

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Sale of services	19,582.06	17,417.27
	19,582.06	17,417.27

Disaggregate revenue information

The table below presents disaggregated revenues from the Group's contracts with customers by geography and customer's industry type. The Company believes this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

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

22. Revenue from operations (contd.)

Revenue by geography:	Year ended December 31, 2025	Year ended December 31, 2024
Americas	14,228.23	12,930.76
APAC	3,364.20	2,840.29
Europe	1,769.87	1,551.24
MEA	219.76	94.98
	19,582.06	17,417.27

Revenue by customer's industry type :	Year ended December 31, 2025	Year ended December 31, 2024
Tech, Internet and Platforms	3,903.73	3,651.77
Health	2,539.07	2,232.43
Manufacturing & Logistics (M&L)	2,744.29	2,210.47
Telecom, Media & Entertainment (TME)	3,331.89	3,093.98
Banking, Finance & Insurance (BFSI)	3,403.05	2,637.27
Services - others	3,660.03	3,591.35
	19,582.06	17,417.27

Trade receivables and contract balances

The Group classifies the right to consideration in exchange for deliverables as either receivable or as unbilled revenue.

Revenue for time and material contracts are recognised as related service are performed. Revenue for fixed price maintenance contracts is recognised on a straight line basis over the period of contract. Revenue in excess of billing is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in the contract. This would result in timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial assets as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings is classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in Balance Sheet.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosures provide the aggregate amount of transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Group expects to recognise these amounts as revenue. Applying the practical expedients as given in Ind AS 115 Revenue from contracts with customers, the Group has not disclosed the remaining performance obligations related disclosures where the revenue recognised corresponds directly with the value to customer of the entity's performance completed to date, typically those contracts where invoicing is on the basis of time-and-material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment of revenue that has not materialised and adjustments for currency.

Disclosure relating to remaining performance obligation relating to fixed bid price contracts require the aggregate amounts of transaction price yet to be recognised as revenue at the reporting date and expected timelines to recognise these amounts. In view of the fact that all outstanding contracts have an original expected duration for completion of less than a year no disclosure is warranted.

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

23. Other income

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Interest income on		
- Bank deposits	39.27	32.15
- Financial instruments measured at amortised cost	2.76	2.44
- Others	2.75	2.61
Rental income from investment property [refer to Note 3 (c)]	9.00	7.86
Liability no longer required written back	9.24	21.34
Profit on sale / discarding of property, plant and equipment (net) (refer to Note 36)	433.88	-
Miscellaneous income	39.22	16.74
	536.12	83.14

24. Employee benefits expense

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Salaries, wages and bonus	11,659.18	10,731.57
Gratuity expenses	86.00	75.62
Contribution to social security plans	573.67	521.09
Staff welfare expenses	301.90	284.05
Employee share based payment expense	251.94	298.86
	12,872.69	11,911.19

(a) Impact of New Labour Codes

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), which consolidate multiple existing labour laws into a unified framework governing employment and post-employment benefits.

The Group companies in India has assessed the financial implications of these changes and, pursuant to such assessment, recognised an incremental obligation of Rs. 245.83 million on account of increase in employee benefit liabilities arising from past service. Considering the impact arising from enactment of the new legislation and its non-recurring nature, the said amount has been presented under Exceptional Items.

The Group continues to monitor developments relating to the Labour Codes, including issuance of further rules, clarifications or amendments, and will evaluate and account for the impact, as applicable, in the periods in which such developments occur.

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

24. Employee benefits expense (contd.)

(b) Gratuity

Amount recognised in the Statement of Profit and Loss in respect of gratuity cost (defined benefit plan) is as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Service cost	62.28	55.00
Net interest cost	23.72	20.62
Net gratuity expense recognised in Statement of Profit and Loss	86.00	75.62
Re-measurement loss / (gain) recognised in other comprehensive income	10.40	12.14
Past service cost (reported as Exceptional Item)	203.50	0.00
Total cost recognised in total comprehensive income	299.90	87.76

Details of defined benefit gratuity plan:

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Defined benefit obligation	704.06	380.11
Fair value of plan assets	(34.31)	(9.21)
Net defined benefit obligation	669.75	370.90
Classified as:		
Non-current	576.39	327.63
Current	93.36	43.28

Changes in the defined benefit obligation are as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening defined benefit obligation	380.11	324.16
Addition through Business Combination (refer to Note 35)	56.24	-
Service cost	64.35	55.00
Past service cost (reported as Exceptional Item)	203.50	-
Gain on settlement	(2.07)	-
Interest cost	24.53	21.99
Benefits paid	(32.63)	(34.66)
Actuarial (gains) / losses on obligation	10.03	13.62
Closing defined benefit obligation	704.06	380.11

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

24. Employee benefits expense (contd.)

Changes in the fair value of plan assets are as follows:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Opening fair value of plan assets	9.21	18.82
Addition through Business Combination (refer to Note 35)	20.89	-
Expected return	0.81	1.37
Contributions by the employer	32.76	17.39
Benefits paid	(28.99)	(29.86)
Actuarial gains / (losses) on plan assets	(0.37)	1.49
Closing fair value of plan assets	34.31	9.21

Amounts recognised in other comprehensive income:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Actuarial (gain) / loss due to demographic assumption changes in defined benefit obligation	(0.32)	1.87
Actuarial (gain) / loss due to financial assumption changes in defined benefit obligation	(1.04)	8.75
Actuarial (gain) / loss from experience adjustment changes in defined benefit obligation	11.39	3.01
Return on plan assets (greater) / less than discount rate	0.37	(1.49)
Re-measurement loss / (gain) recognised in OCI	10.40	12.14

Sensitivity Analysis

Sensitivity analysis for each significant actuarial assumptions namely discount rate and salary assumptions is given below:

(Rs. in million)

Defined Benefit Obligation	As at December 31, 2025	As at December 31, 2024
Discount rate		
a. Discount rate - 100 basis points	743.22	401.79
b. Discount rate + 100 basis points	668.93	360.60
Salary increase rate		
a. Rate - 100 basis points	672.28	362.67
b. Rate + 100 basis points	737.34	398.35

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

24. Employee benefits expense (contd.)

Maturity Profile of Defined Benefit Obligation

(Rs. in million)

Expected Future Cashflows	As at December 31, 2025	As at December 31, 2024
Year 1	104.31	52.49
Year 2	106.40	55.14
Year 3	94.98	51.76
Year 4	88.07	45.21
Year 5	79.33	42.60
Year 6 to10	278.50	159.13
Year 10 +	292.33	187.99

The major categories of plan assets as a percentage of the fair value of total plan assets:

Particulars	As at December 31, 2025	As at December 31, 2024
Investments with Life Insurance Corporation of India	100%	100%

The principal assumptions used in determining gratuity are shown below:

(A) Financial Assumptions

Particulars	As at December 31, 2025	As at December 31, 2024
Discount rate	6.29% - 6.71%	6.83% - 6.90%
Salary Increment rate	Up to 10%	Up to 10%

(B) Demographic Assumptions

Particulars	As at December 31, 2025	As at December 31, 2024
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate - Average	10% to 30%	10% to 25%
Retirement age	60 Yrs.	60 Yrs.

25. Finance cost

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Interest expense on borrowings	75.63	22.95
Interest expense on lease liabilities (refer to Note 14)	66.02	60.67
Interest expense under income tax	0.09	0.33
	141.74	83.95

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

26. Depreciation and amortisation expense

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Depreciation on property, plant and equipment	222.24	258.56
Depreciation on investment property	1.48	1.49
Depreciation on right-of-use assets	152.76	135.98
Amortisation of intangible assets	287.50	257.70
	663.98	653.73

27. Other expenses

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Power and fuel	41.70	58.90
Rent - premises	73.71	57.00
Software subscription charges	309.79	250.00
Repair and maintenance	98.65	72.41
Commission	3.09	3.69
Travelling and conveyance	331.24	273.78
Communication costs	115.56	98.24
Legal and professional fees (including subcontracting expenses and auditors' remuneration)	1,835.25	1,394.78
Cost of third party items	323.65	369.00
Foreign exchange fluctuation (net)	34.84	10.86
Provision for doubtful debts (net)	101.27	7.10
Provision for doubtful advances / other assets (net)	1.72	10.73
Loss on sale / discarding of property, plant and equipment (net)	-	0.09
Loss on cancellation of leases (net)	-	0.82
Miscellaneous expenses (including Corporate social responsibility expenses)	371.76	329.12
	3,642.23	2,936.52

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

28. Income tax

A. Tax expense

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Current income tax		
In respect of the current year	842.91	726.95
In respect of the prior periods	(78.95)	(48.57)
Deferred tax charge / (credit)	(74.21)	(75.18)
Income tax expense recognised in the Statement of Profit and Loss	689.75	603.20
Income tax recognised in other comprehensive income		
Net loss / (gain) on re-measurement of defined benefit plan	(2.82)	(2.85)
	686.93	600.35

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Profit before tax	2,551.71	1,915.02
Enacted income tax rate in India	25.168%	34.944%
Computed expected tax expense	642.21	669.18
Tax effect of:		
Income exempt from tax	(12.63)	(161.63)
Temporary differences reversing during the tax holiday period	-	(19.53)
Impact of Change in future tax Rate	-	101.10
Temporary differences not recognised in earlier year	15.26	5.95
Expenses that are not deductible in determining taxable profit	142.43	98.63
Different tax rates of other tax jurisdictions	11.26	(34.49)
True-up of tax provisions related to previous years	(78.95)	(48.57)
Impact of differential tax rate on long term capital gains	(35.16)	-
Others	5.33	(7.44)
Income tax expense recognised in the Statement of Profit and Loss	689.75	603.20

Deferred tax

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
(A) Deferred tax assets (net)	608.47	313.44
(B) Deferred tax liabilities (net)	0.17	-
Deferred tax assets / (liabilities) net (A-B)	608.30	313.44

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

28. Income tax (contd.)

Deferred tax assets / (liabilities) as at December 31, 2025 in relation to:

(Rs. in million)

Particulars	As at January 01, 2025	Addition through Business Combination (refer to Note 35)	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	Currency translation	As at December 31, 2025
Property, plant and equipment and Intangible assets	10.70	4.44	(12.43)	-	-	0.59	3.30
Right-of-use assets and lease liabilities	47.06	6.82	6.04	-	-	0.48	60.40
Provision for doubtful debts and advances	15.58	35.16	16.70	-	-	0.02	67.46
Provision for gratuity	93.36	6.01	66.36	2.82	-	-	168.55
Other employee benefits	120.04	81.15	(8.65)	-	-	2.11	194.65
Employee share based payment expense	72.57	-	22.31	-	-	0.89	95.77
Mark-to-market (gain) / loss on derivative instruments	14.07	-	6.76	-	-	-	20.83
MAT credit entitlement or Minimum corporate tax	16.24	-	(16.24)	-	-	-	-
Tax Losses	-	-	7.89	-	-	0.59	8.48
Other Differences	2.39	0.40	4.12	-	-	0.60	7.51
Non-convertible debentures	-	-	(18.65)	-	-	-	(18.65)
Total	392.01	133.98	74.21	2.82	-	5.28	608.30

Deferred tax assets / (liabilities) as at December 31, 2024 in relation to:

(Rs. in million)

Particulars	As at January 01, 2024	Addition through Business Combination	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	Foreign Currency translation difference	As at December 31, 2024
Property, plant and equipment and Intangible assets	(8.12)	-	18.28	-	-	0.54	10.70
Right-of-use assets and lease liabilities	46.94	-	0.17	-	-	(0.05)	47.06
Provision for doubtful debts and advances	19.22	-	(3.65)	-	-	0.01	15.58
Provision for gratuity	102.73	-	(12.22)	2.85	-	-	93.36
Other employee benefits	141.25	-	(21.20)	-	-	(0.01)	120.04
Employee share based payment expense	-	-	72.63	-	-	(0.06)	72.57
Mark-to-market (gain) / loss on derivative instruments	(2.07)	-	16.14	-	-	-	14.07
MAT credit entitlement or Minimum corporate tax	12.69	-	3.55	-	-	-	16.24
Tax Losses	2.50	-	(2.51)	-	-	0.01	-
Other Differences	(1.70)	-	3.99	-	-	0.10	2.39
Total	313.44	-	75.18	2.85	-	0.54	392.01

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

28. Income tax (contd.)

The Group has not recognised deferred tax assets on the following:

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Unused tax losses of foreign jurisdiction*	2,169.50	1,733.91

*The unused tax losses will expire based on tax laws of the relevant jurisdictions which is subject to the agreement with the Income Tax Authorities.

B. Tax assets/ liabilities (net)

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Non-current tax assets (net)*	81.41	45.59
Current tax liabilities (net)	172.06	184.81

*Including amount of Rs. 6.55 million paid under protest

29. Earnings per share

The reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share is as follows:

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Net profit after tax (Rs. in million)	1,861.96	1,311.82
Weighted average number of equity shares for calculating basic earnings per share	118,380,615	118,303,445
Add: Dilutive potential equity shares (refer to Note 11 and Note 38)	5,639,023	5,591,187
Weighted average number of equity shares for calculating diluted earnings per share	124,019,638	123,894,632
Earnings per share (Equity share of par value of Re. 1/- each)		
Basic (Rs.)	15.73	11.09
Diluted (Rs.)	15.01	10.59

30. Financial instruments

The carrying values and fair values of financial instruments by categories are as follows:

(Rs. in million)

Particulars	Note reference	Basis of measurement	As at December 31, 2025		As at December 31, 2024		Fair value hierarchy
			Carrying value	Fair value	Carrying value	Fair value	
Assets							
Investments in other equity instruments	4	FVTPL	0.03	0.03	0.03	0.03	Level 3
Trade receivables	7	Amortised cost	4,106.61	4,106.61	2,573.09	2,573.09	
Cash and cash equivalents	8a	Amortised cost	3,084.49	3,084.49	1,900.89	1,900.89	
Other bank balances	8b	Amortised cost	56.64	56.64	36.57	36.57	
Other financial assets	5,9	Amortised cost	959.19	959.19	855.87	855.87	
Total			8,206.96	8,206.96	5,366.45	5,366.45	
Liabilities							
Borrowings	13,17	Amortised cost	3,146.14	3,146.14	77.33	77.33	
Lease liabilities	14	Amortised cost	951.69	951.69	651.49	651.49	
Trade payables	18	Amortised cost	1,141.22	1,141.22	406.23	406.23	

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

Particulars	Note reference	Basis of measurement	As at December 31, 2025		As at December 31, 2024		Fair value hierarchy
			Carrying value	Fair value	Carrying value	Fair value	
Mark-to-market loss on derivative instruments	19	FVTPL	82.77	82.77	55.45	55.45	Level 2
Other financial liabilities (Other than derivative instruments)	15,19	Amortised cost	1,298.73	1,298.73	865.15	865.15	
Total			6,620.55	6,620.55	2,055.65	2,055.65	

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Reconciliation of liabilities arising from financing activities:

(Rs. in million)

Particulars	As at December 31, 2024	Cash flows	Non-cash changes	As at December 31, 2025
Borrowings				
Motor vehicle loans	24.47	2.79	-	27.26
Non-convertible debentures (refer to Note 1 below)	-	2,673.80	2.11	2,675.91
Cash credit facility from scheduled banks		390.11	-	442.97
Leases (refer to Note 2 below)	651.49	(193.98)	494.18	951.69
Total	728.82	2,872.72	496.29	4,097.83

Note 1 - Amortisation of transaction costs

Note 2 - Non-cash changes in lease liabilities includes addition through Business Combination, lease modification, interest accrued on lease liabilities and effect of foreign exchange fluctuation / translation.

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

30. Financial instruments (contd.)

Particulars	As at December 31, 2023	Cash flows	Non-cash changes	As at December 31, 2024
Borrowings				
Motor vehicle loans	27.58	(3.11)	-	24.47
Non-convertible debentures	-	-	-	-
Cash credit facility from scheduled banks	551.60	(498.74)	-	52.86
Leases (refer to Note 1 below)	732.59	(156.05)	74.95	651.49
Total	1,311.77	(657.90)	74.95	728.82

Notes 1 - Non-cash changes in lease liabilities includes lease modification, interest accrued on lease liabilities and effect of foreign exchange fluctuation / translation.

31. Financial risk management

Financial risk factors and risk management objectives

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by team that has the appropriate skills, experience along with supervision. It is the Group's policy that no trading in derivative for speculative purposes shall be undertaken.

Foreign currency risk

The Group's exchange risk arises from its foreign currency revenues (primarily in U.S. Dollars and Euros). A significant portion of the Group's revenues are in these foreign currencies, while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Group's revenues measured in Rupees may decrease or vice versa.

Derivative financial instruments

The Group holds foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Group has not applied hedge accounting as these forward contracts do not qualify for hedge accounting. As at December 31, 2025, the Group has recognised mark-to-market liability of Rs. 82.77 million (previous year: mark-to-market liability of Rs. 55.45 million) relating to aforesaid foreign currency forward contracts resulting in mark-to-market loss of Rs. 27.32 million (previous year mark-to-market loss of Rs. 64.85 million) for the year ended December 31, 2025 recorded as foreign exchange fluctuation.

The following table gives details in respect of outstanding foreign currency forward contracts:

Particulars	As at December 31, 2025	As at December 31, 2024
USD		
Foreign currency (million)	42.75	40.80
Average rate	89.16	85.28
Rupees (million)	3,811.41	3,479.48
EURO		
Foreign currency (million)	0.4	2.1
Average rate	98.67	94.38
Rupees (million)	39.47	198.21

The Group does not have any other long term contracts including derivative contracts (other than foreign currency forward contracts mentioned above) for which there will be any material foreseeable losses.

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

31. Financial risk management (contd.)

The following table analyses Group's foreign currency exposure from non-derivative financial instruments as of December 31, 2025 and December 31, 2024:

(Rs. in million)				
As at December 31, 2025	Designated in foreign currency			Total
	USD	EURO	Others [#]	
Trade receivables	1,820.72	71.6	102.11	1,994.43
Other financial assets	44.20	-	-	44.20
Cash and cash equivalents and bank balances	908.73	12.28	42.50	963.51
Trade and other payables	323.42	3.88	3.55	330.85
As at December 31, 2024	Designated in foreign currency			Total
	USD	EURO	Others [#]	
Trade receivables	1,352.05	35.84	92.28	1,480.17
Other financial assets	1.83	0.90	0.06	2.79
Cash and cash equivalents and bank balances	539.62	4.03	2.11	545.76
Trade and other payables	266.56	-	8.76	275.32

[#]Others include currencies such as SGD, GBP, CAD, CHF, AUD, OMR, SAR etc.

Foreign currency sensitivity analysis

For the year ended December 31, 2025 and December 31, 2024, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies, would decrease / increase Group's profit before tax margin by approximately 0.48% and 1.00%, respectively.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group cash flows as well as costs. The Group has availed floating rate borrowings in the form working capital demand loan and cash credit facility. For the year ended December 31, 2025, every one percentage increase / decrease in interest rates, would result in decrease / increase Group's profit before tax margin by approximately 0.16 % (previous year 0.03%).

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from deposits held with banks, investments with financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

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

31. Financial risk management (contd.)

The following table gives details in respect of revenues generated from top customer and top 5 customers:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from top customer	1,214.19	969.35
Revenue from top 5 customers	3,362.24	2,624.27

No customer accounted for more than 10% of the revenue for the year ended December 31, 2025 and December 31, 2024. Further, there is one customer account for more than 10% of the receivable as at December 31, 2025 and one customer had more than 10% of the receivable as at December 31, 2024.

Investments including bank deposits

Credit risk on cash and bank balance is limited as the Group generally invests in deposits with banks. The Group does not expect any losses from non-performance by the counterparties.

Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The investment of surplus cash is governed by the Group's investment policy approved by the Board of Directors. The Group believes that the working capital is sufficient to meet its current requirements.

As at December 31, 2025, the Group had a working capital of Rs. 4,251.06 million including cash and cash equivalents and current fixed deposits of Rs. 3,135.75 million. As at December 31, 2024, the Group had a working capital of Rs. 3,219.68 million including cash and cash equivalents and current fixed deposits of Rs. 1,981.23 million. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(Rs. in million)

Particulars	As at December 31, 2025					
	Up to 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Total
Borrowings	724.4	277.67	1,155.58	2,034.85	-	4,192.50
Lease liabilities	234.43	183.08	166.83	242.41	549.09	1,375.84
Trade payables	1,141.22	-	-	-	-	1,141.22
Other financial liabilities	1,366.22	15.28	-	-	-	1,381.50
	3,466.27	476.03	1,322.41	2,277.26	549.09	8,091.06

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

31. Financial risk management (contd.)

(Rs. in million)

Particulars	As at December 31, 2024					
	Up to 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Total
Borrowings	65.03	8.64	4.25	2.66	-	80.58
Lease liabilities	144.72	111.49	81.71	169.49	499.91	1,007.32
Trade payables	406.23	-	-	-	-	406.23
Other financial liabilities	908.42	12.18	-	-	-	920.60
	1,524.40	132.31	85.96	172.15	499.91	2,414.73

The Company has access to the following working capital facilities:

(Rs. in million)

Particulars	As at December 31, 2025			As at December 31, 2024		
	Total facility	Drawn	Undrawn	Total facility	Drawn	Undrawn
Floating Rate						
Facilities expiring within one year						
-Axis Bank Ltd. (refer Note 1)	850	196.49	653.51	850	-	850
-ICICI Bank Limited (refer Note 2)	600	246.48	353.52	600	52.86	547.14
Total	1,450.00	442.97	1,007.03	1,450.00	52.86	1,397.14

Notes:

1. Includes working capital demand loan, cash credit, foreign currency demand loan, running packing credit/pre-shipment credit in foreign currency and foreign bills purchases/discounted/ collection bill/ negotiation of foreign bills under LC.
2. Includes working capital demand loan, cash credit, export packing credit and packing credit in foreign currency.
3. The aforementioned facilities may be drawn at any time and may be terminated by the bank without notice.
4. Above facilities from Axis Bank Ltd. and ICICI Bank Limited are secured by first pari-passu charge by way of hypothecation on entire current assets of the Company present and future.
5. The Company has filed revised statements for each quarter with the above-mentioned banks, and the same are in agreement with the books of account of the Company.

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

32. Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective, when managing capital, is to maintain an optimal structure so as to maximise shareholder value. The capital structure is as follows:

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Total capital (equity, borrowings and lease liabilities)	12,014.06	6,969.32
Total equity attributable to the equity share holders of the Company	7,916.23	6,240.50
As percentage of total capital	65.89%	89.54%
Term loans for motor vehicles (including current maturities)	27.26	24.47
Non-convertible debentures	2,675.91	-
Working capital loans from banks	442.97	52.86
Lease liabilities (including current maturities)	951.69	651.49
Total borrowings and lease liabilities	4,097.83	728.82
As percentage of total capital	34.11%	10.46%

33. Segment information

The Managing Director and Chief Executive Officer of the Parent Company has been identified as the Chief Operating Decision Maker (CODM). Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided. The CODM has identified the following as its reportable segments.

- a) Information technology services
- b) Business process outsourcing services (Knowledge services)

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities of the Group are used interchangeably between segments and the CODM does not review assets and liabilities at reportable segment level. Accordingly, segment disclosure relating to assets and liabilities has not been provided as per Ind AS 108.

Geographic segments are based on the areas in which the major customers of the Company operate. Although the Company's major operating divisions are managed on a worldwide basis, they operate in four principal geographical areas of the world which are: Americas, Asia Pacific (APAC), Europe and Middle East and africa (MEA).

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

The following table provides required information for reportable segments for the year ended December 31, 2025 and December 31, 2024:

(Rs. in million)

Particulars	Information technology services		Business process outsourcing services		Corporate and others		Total
	Year ended						
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	
REVENUE							
Total revenue	17,559.93	15,725.17	2,085.56	1,756.45		19,645.49	17,481.62
Inter-segment revenue	-	-	(63.43)	(64.35)		(63.43)	(64.35)
External revenue	17,559.93	15,725.17	2,022.13	1,692.10		19,582.06	17,417.27
RESULTS							
Segment results	1,904.53	1,547.12	897.85	724.42		2,802.38	2,271.54
Unallocated corporate expenses					(596.59)	(596.59)	(317.63)
Operating profit						2,205.79	1,953.91
Finance costs					(141.74)	(83.95)	(83.95)
Interest income					44.78	37.20	37.20
Other unallocable income (refer to Note 36)					442.88	7.86	7.86
Tax expense					(689.75)	(603.20)	(603.20)
Profit for the year						1,861.96	1,311.82
Other segment Information							
Depreciation and amortisation	631.27	642.97	31.23	9.27	1.48	1.49	653.73

Refer to Note 22 for geography-wise revenue.

Refer to Note 31 on financial risk management for information on revenue from major customers.

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

34. Related Party Disclosures

(i) Names of related parties (refer to Note 1 for 'the Group')

Ultimate holding company	BCP Asia II Holdco II Pte. Ltd.
Holding company	BCP Asia II TOPCO II Pte. Ltd.

(ii) Names of other related parties with whom transactions have taken place during the year:

Key management personnel	a.	Nitesh Bansal, Managing Director & Chief Executive Officer
	b.	Ruchica Gupta, Chairperson & Non-Executive Independent Director
	c.	Kapil Dhameja, Non-Executive Independent Director
	d.	Aditya Wadhwa, Non-Executive Independent Director
	e.	Mukesh Mehta, Non-Executive Director
	f.	Amit Dalmia, Non-Executive Director
	g.	Animesh Agarwal, Non-Executive Director
	h.	Nand Sardana, Chief Financial Officer
	i.	Bhasker Dubey, Company Secretary & Compliance Officer
Person having shareholding of 20% or more, directly or indirectly		Bhavook Tripathi
Entities under common control		Nucleus Network Pty. Ltd.

(iii) Details of transactions with related parties for the year ended December 31, 2025, and December 31, 2024:

(Rs. in million)

Particulars	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from information technology and BPO services rendered to		
Nucleus Network Pty. Ltd.	7.53	3.66
Total	7.53	3.66
Remuneration		
Short-term employee benefits	114.15	107.89
Post-employment benefits	0.80	0.04
Other long-term employee benefits	1.00	0.25
Employee share-based payment expenses	128.55	125.89
Sitting fee to independent directorss	1.40	1.29
Total	245.90	235.36
Dividend Paid (refer to Note 37)		
BCP Asia II TOPCO II Pte. Ltd.	368.60	1,185.66
Nand Sardana	1.20	3.78
Bhasker Dubey	0.00*	-
Bhavook Tripathi	145.88	616.79
Total	515.68	1,806.23
*Dividend of Rs. 3,924 was paid to Bhasker Dubey during the year ended December 31, 2025.		

(iv) Outstanding balances of related parties as at December 31, 2025 and December 31, 2024:

(Rs. in million)

Balance outstanding	As at December 31, 2025	As at December 31, 2024
Trade receivables		
Nucleus Network Pty. Ltd.	0.45	1.67
Total	0.45	1.67

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

35. Business Combination

- a. The Parent completed the acquisition of 100% equity shares of Novigo Solutions Private Limited ("Novigo") on November 13, 2025, for a consideration of Rs. 4,000.00 million. The acquisition was partially funded through the issuance of rated, listed, unsecured, senior, redeemable non-convertible debentures (NCDs) amounting to Rs. 2,750.00 million on a private placement basis on November 11, 2025, with the balance paid by the Parent through its own funds.

Further, the previous shareholders of Novigo hold 1,700,000 compulsory convertible redeemable preference shares ("CCPS") of Novigo Solutions Private Limited and the Parent may at a later stage, as may be approved by its Board of Directors, acquire such CCPS, subject to the terms and conditions of Shareholders' Agreement ("SHA") dated August 21, 2025, entered into between the Company, Novigo, and the previous shareholders of Novigo. The aforesaid CCPS are valued at Rs. 1,923.88 million on the date of acquisition, based on the terms and conditions stated in the SHA. Accordingly, the total purchase consideration including fair value of CCPS is assessed at Rs. 5,923.88 million.

Novigo provides information technology services including digital and product engineering services. Novigo was acquired to strengthen the Company's digital product engineering capabilities, enhancing expertise in the Agentic AI space and expanding its market presence including in Middle East.

Details in respect of purchase consideration and net assets acquired is as below:

(Rs. in million)

Particulars	Amount
Initial consideration in cash	4,000.00
Fair value of the CCPS	1,923.88
Total purchase consideration (A)	5,923.88
Identifiable assets	
Property, plant and equipment	50.07
Right-of-use assets	105.16
Deferred tax assets (net)	133.98
Customer contracts	1,116.38
Non compete	33.04
Trade receivables (net of allowances for expected credit loss of Rs. 95.66 million)	368.57
Cash and cash equivalents	717.52
Other assets	301.79
Total identifiable assets (B)	2,826.51
Identifiable liabilities	
Lease liabilities	128.12
Provisions	59.40
Trade payables	412.49
Other liabilities	407.18
Total identified liabilities (C)	1,007.19
Net Identified Assets D = B - C	1,819.32
Goodwill arising on acquisition E = A - D	4,104.56

- b. From the date of acquisition, Novigo and its wholly owned subsidiaries (refer to Note 1(d)) have contributed Rs. 281.94 million to revenue from operations from external customers and a profit of Rs. 86.00 million to profit before tax.
- c. The transaction costs such as legal fees, due diligence fees, and other professional and consulting fees of Rs. 17.66 million related to the acquisition have been included under other expenses in the Consolidated Statement of Profit and Loss for the year ended December 31, 2025.
- d. In case this Business Combination had been affected on January 1, 2025, the revenue from operation of the Group would have been higher by Rs. 1,531.89 million and profit would have been higher by Rs. 310.91 million. The management consider these 'pro-forma' numbers to represent an approximate measure of the performance of the Group on an annualised basis.

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

35. Business Combination (contd.)

- e. Goodwill is attributable to the benefit of expected synergies and the assembled workforce of the aforesaid business combination.
- f. Net cash outflow arising on acquisition:

(Rs. in million)

Particulars	Amount
Cash consideration	4,000.00
Less: cash and cash equivalent balances acquired	717.52
Net cash outflow arising on acquisition	3,282.48

36. The transaction for sale of land, building and certain other assets located at Company's Noida office having a carrying value of Rs. 64.00 million was concluded during the year ended December 31, 2025. Profit on sale of these assets amounting to Rs. 435.95 million is recorded under "Other Income" during the year ended December 31, 2025. As at December 31, 2024, these assets were classified as assets held for sale and an advance received towards sale of assets amounting to Rs. 70.00 million was disclosed under "Other Current Liabilities".

37. The Board of Directors at its meeting held on May 8, 2025 had declared an interim dividend of Rs. 6.00/- per equity share of face value of Re. 1/- each aggregating to Rs. 710.28 million.

The Board of Directors, at its meeting held on March 19, 2024, declared a first interim dividend of Rs. 6.00/- per equity share of face value of Re. 1/- each, aggregating to Rs. 709.82 million. Subsequently, at its meeting held on November 8, 2024, the Board of Directors declared a second interim dividend of Rs. 6.50/- per equity share of face value of Re. 1/- each, aggregating to Rs. 768.97 million.

The interim dividend declared and paid by the Company is in compliance with section 123 of the Companies Act, 2013.

38. The Board of Directors of R Systems International Limited ("R Systems" or the "Amalgamated Company") approved the composite Scheme of Amalgamation of Velotio Technologies Private Limited ("Velotio") and Scaleworx Technologies Private Limited ("Scaleworx") with R Systems (the "Scheme") on September 11, 2024, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Scheme has received approvals from the Stock Exchanges and creditors and shareholders of the Company. The Scheme has been filed with the Hon'ble National Company Law Tribunal, New Delhi ("NCLT") and remains currently pending under its consideration.

Upon all the requisite approvals, as per the Scheme, the Existing Optionally Convertible Redeemable Preference Shareholders of Velotio will be allotted 5,160,833 Optionally Convertible Redeemable Preference Shares of Face Value of Rs. 1.00/- each of R Systems ("R Systems OCRPS"). R Systems OCRPS will be converted into 5,160,833 equity shares of Face Value of Rs. 1.00/- each of R Systems on the completion of their Term and subject to Vesting Factor as per terms defined in the Proposed Scheme.

39. As per the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2024, accounting software used by the Company should have a feature of recording audit trail of each and every transaction. The Parent's IT environment is adequately governed with General information technology controls (GITCs) for financial reporting process and the Parent has assessed all of its IT application that are relevant for maintaining books of account. The Parent and its 2 subsidiary companies incorporated in India have used accounting software for maintaining their respective books of account for the year ended December 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except as mentioned below:

- In respect of Parent:
 - i. the accounting software used during January 1, 2025 to March 31, 2025, the audit trail feature was not enabled at the database level to log any direct data changes.
 - ii. a related accounting software used for revenue records during January 1, 2025 to March 31, 2025 did not have a feature of recording audit trail (edit log) facility.
 - iii. a related accounting software used by the Parent for payroll records during January 1, 2025 to December 31, 2025 did not have a feature of recording audit trail (edit log) facility.

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

A subsidiary company, acquired on November 13, 2025, has used an accounting software, operated by a third party software service provider, for which independent auditor's System and Organisation Controls report covering the audit trail requirement was not available.

The Parent and its subsidiaries have preserved audit trail in accordance with the statutory record retention requirements in respect of:

- The accounting software used by the Parent during year ended December 31, 2024 which had a feature of recording audit trail (edit log) facility and the same had operated at the application level (not on database level) throughout that year.
- The accounting software used by the 2 subsidiaries during year ended December 31, 2024 which had a feature of recording audit trail (edit log) facility and the same had operated throughout that year.

40. Commitments and Contingent liabilities

- Capital commitments

(Rs. in million)

Particulars	As at December 31, 2025	As at December 31, 2024
Estimated amount of unexecuted capital contracts (A)	10.55	37.69
Capital advances (B)	-	-
Net capital commitment (A-B)	10.55	37.69

- Contingent liabilities.

As at December 31, 2025 and December 31, 2024, there are no claims against the Group which were not acknowledged as debts, except where the possibility of an outflow of resources embodying economic benefits is remote.

41. Additional Notes

- The Parent company and subsidiary companies incorporated in India was not holding any benami property and no proceedings were initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Parent company and subsidiary companies incorporated in India has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 December, 2025.
- The Parent company and subsidiary companies incorporated in India has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Parent company and subsidiary companies incorporated in India has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group entities in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Parent company and subsidiary companies incorporated in India had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- The Parent company and subsidiary companies incorporated in India did not have any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

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

- g. The Parent company and subsidiary companies incorporated in India did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- h. The Parent company and subsidiary companies incorporated in India had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- i. There were no amounts due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013 at the year end. Further, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent company and its subsidiary companies incorporated in India.
- j. The Parent company and subsidiary companies incorporated in India has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

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

42. Additional Information pursuant to para 2 of general instruction for the preparation of consolidated financial statements

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2025	As % of consolidated net assets	December 31, 2025	As % of consolidated profit or loss	December 31, 2025	As % of consolidated other comprehensive income	December 31, 2025	As % of consolidated total comprehensive income
	Parent Entity	Amount in Rs. (million)		Amount in Rs. (million)		Amount in Rs. (million)		Amount in Rs. (million)	
1	R Systems International Limited, India	66.89		2,228.71	94.82	(5.62)	74.24	94.88	2,223.09
	Subsidiaries								
	Indian Subsidiaries								
1	Velotio Technologies Private Limited	3.83		212.39	9.04	(4.17)	55.09	8.89	208.22
2	Scaleworx Technologies Private Limited	0.64		3.33	0.14	(0.52)	6.86	0.12	2.81
3	Novigo Solutions Private Limited	2.61		7.84	0.32	2.47	(36.19)	0.47	(10.58)
	Foreign Subsidiaries								
1	R Systems (Singapore) Pte Limited, Singapore	1.41		(406.24)	(17.28)	-	-	(17.34)	(406.24)
2	R Systems, Inc., USA	4.57		45.98	1.96	-	-	1.96	45.98
3	R Systems Technologies Ltd., USA	0.46		7.38	0.31	-	-	0.32	7.38
4	R Systems Consulting Services Limited, Singapore	1.63		(35.72)	(1.52)	-	-	(1.53)	(35.72)
5	R Systems Consulting Services (M) Sdn. Bhd., Malaysia	1.48		27.51	1.17	-	-	1.17	27.51
6	R Systems Consulting Services (Hong Kong) Ltd, Hong Kong	(0.01)		(2.36)	(0.10)	-	-	(0.10)	(2.36)
7	R Systems Consulting Services (Thailand) Co., Ltd., Thailand	0.70		26.08	1.11	-	-	1.11	26.08
8	R Systems Consulting Services Kabushiki Kaisha, Japan	(0.53)		(3.29)	(0.14)	-	-	(0.14)	(3.29)
9	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China	(1.52)		(20.44)	(0.87)	-	-	(0.87)	(20.44)

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

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2025	December 31, 2025	December 31, 2025	December 31, 2025	December 31, 2025	December 31, 2025	December 31, 2025	December 31, 2025
		As % of consolidated net assets	Amount in Rs. (million)	As % of consolidated profit or loss	Amount in Rs. (million)	As % of consolidated other comprehensive income	Amount in Rs. (million)	As % of consolidated total comprehensive income	Amount in Rs. (million)
10	R Systems Consulting Services Company Limited, Vietnam	(0.06)	(6.60)	(0.09)	(2.05)	-	-	(0.09)	(2.05)
11	R Systems Computaris International Limited, UK	1.60	165.22	3.12	73.33	-	-	3.13	73.33
12	R Systems Computaris Europe SRL, Romania	7.22	745.33	5.71	134.01	-	-	5.72	134.01
13	R Systems Computaris Poland Sp. z o.o., Poland	0.81	82.90	(0.98)	(23.09)	-	-	(0.99)	(23.09)
14	R Systems Computaris S.R.L, Moldova	0.69	71.59	0.92	21.65	-	-	0.92	21.65
15	R Systems Computaris Malaysia Sdn. Bhd., Malaysia	0.02	2.47		0.06	-	-	-	0.06
16	R Systems Computaris Philippines Pte. Ltd. Inc., Philippines	0.17	17.78	0.14	3.21	-	-	0.14	3.21
17	R Systems Computaris Suisse Sarl., Switzerland	0.04	4.30	(0.05)	(1.22)	-	-	(0.05)	(1.22)
18	RSYS Technologies Ltd., Canada	1.47	151.22	0.93	21.75	-	-	0.93	21.75
19	R Systems IBIZCS Pte. Ltd., Singapore	0.70	72.06	(0.67)	(15.73)	-	-	(0.67)	(15.73)
20	R Systems IBIZCS Sdn. Bhd., Malaysia	0.23	23.73	(0.73)	(17.09)	-	-	(0.73)	(17.09)
21	PT. R Systems IBIZCS International, Indonesia	0.33	33.52	0.72	16.95	-	-	0.72	16.95
22	IBIZ Consulting Service Limited., Hong Kong	0.04	4.32	0.01	0.35	-	-	0.01	0.35
23	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China	(0.40)	(41.07)	0.32	7.60	-	-	0.32	7.60

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

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2025		December 31, 2025		December 31, 2025		December 31, 2025	
		As % of consolidated net assets	Amount in Rs. (million)	As % of consolidated profit or loss	Amount in Rs. (million)	As % of consolidated other comprehensive income	Amount in Rs. (million)	As % of consolidated total comprehensive income	Amount in Rs. (million)
24	IBIZ Consulting (Thailand) Co. Ltd., Thailand	0.12	12.36	(0.67)	(15.79)	-	-	(0.67)	(15.79)
25	RSIL Mexico, S. de R.L. de C.V.	0.18	18.46	(0.32)	(7.60)	-	-	(0.32)	(7.60)
26	Novigo Solutions Inc, USA	2.90	299.37	1.78	41.73	-	-	1.78	41.73
27	Novigo for Information Technology, Saudi Arabia	1.56	161.45	0.70	16.40	-	-	0.70	16.40
28	Novigo Solutions Limited, UK	0.35	36.23	(0.40)	(9.42)	-	-	(0.40)	(9.42)
29	Novigo Solutions BV, Netherland	(0.11)	(11.39)	0.61	14.35	-	-	0.61	14.35
	Sub total	100.00	10,319.65	100.00	2,350.57	100.00	(7.57)	100.00	2,343.00
	Adjustment arising out of consolidation		(2,403.42)		(488.61)		273.62		(214.99)
	Total		7,916.23		1,861.96		266.05		2,128.01

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

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024
		As % of consolidated net assets	Amount in Rs. (million)	As % of consolidated profit or loss	Amount in Rs. (million)	As % of consolidated other comprehensive income	Amount in Rs. (million)	As % of consolidated total comprehensive income	Amount in Rs. (million)
	Parent Entity								
1	R Systems International Limited, India	62.90	5,131.79	68.34	1,485.55	15.95	(1.48)	68.56	1,484.07
	Subsidiaries								
	Indian Subsidiaries								
1	Velotio Technologies Private Limited	4.75	387.43	14.58	309.60	78.13	(7.25)	14.30	302.35
2	Scaleworx Technologies Private Limited	0.78	63.29	0.86	18.78	5.92	(0.55)	0.85	18.23
	Foreign Subsidiaries								
1	R Systems (Singapore) Pte Limited, Singapore	7.46	608.54	3.99	86.65	-	-	4.00	86.65
2	R Systems, Inc., USA	5.58	455.49	4.13	89.81	-	-	4.15	89.81
3	R Systems Technologies Ltd., USA	1.20	98.31	0.66	14.38	-	-	0.66	14.38
4	R Systems Consulting Services Limited, Singapore	2.27	184.91	1.39	30.31	-	-	1.40	30.31
5	R Systems Consulting Services (M) Sdn. Bhd., Malaysia	1.30	106.32	0.28	6.05	-	-	0.28	6.05
6	R Systems Consulting Services (Hong Kong) Ltd, Hong Kong	0.02	1.44	(0.07)	(1.38)	-	-	(0.06)	(1.38)
7	R Systems Consulting Services (Thailand) Co., Ltd., Thailand	0.47	38.59	0.80	17.37	-	-	0.80	17.37
8	R Systems Consulting Services Kabushiki Kaisha, Japan	(0.60)	(49.09)	(0.27)	(5.85)	-	-	(0.27)	(5.85)
9	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China	(1.51)	(123.07)	(0.75)	(16.35)	-	-	(0.76)	(16.35)
10	R Systems Consulting Services Company Limited, Vietnam	(0.06)	(4.40)	(0.09)	(1.93)	-	-	(0.09)	(1.93)

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

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024
		As % of consolidated net assets	Amount in Rs. (million)	As % of consolidated profit or loss	Amount in Rs. (million)	As % of consolidated other comprehensive income	Amount in Rs. (million)	As % of consolidated total comprehensive income	Amount in Rs. (million)
11	R Systems Computaris International Limited, UK	1.77	144.63	2.41	52.46	-	-	2.42	52.46
12	R Systems Computaris Europe SRL, Romania	6.70	546.88	0.52	11.21	-	-	0.52	11.21
13	R Systems Computaris Poland Sp. z o.o., Poland	1.10	89.76	(0.10)	(2.05)	-	-	(0.09)	(2.05)
14	R Systems Computaris S.R.L, Moldova	0.92	74.90	0.57	12.29	-	-	0.57	12.29
15	R Systems Computaris Malaysia Sdn. Bhd., Malaysia	0.17	13.55	0.02	0.51	-	-	0.02	0.51
16	R Systems Computaris Philippines Pte. Ltd. Inc., Philippines	0.17	14.02	0.08	1.68	-	-	0.08	1.68
17	R Systems Computaris Suisse Sarl., Switzerland	0.06	4.70	0.00	0.03	-	-	0.00	0.03
18	RSYS Technologies Ltd., Canada	2.12	173.18	1.14	24.75	-	-	1.14	24.75
19	R Systems IBIZCS Pte. Ltd., Singapore	1.52	123.75	0.39	8.37	-	-	0.39	8.37
20	IBIZ Consulting Services Pte Ltd., Singapore (strike off w.e.f. January 08, 2024)							-	-
21	R Systems IBIZCS Sdn. Bhd., Malaysia	0.64	52.35	0.14	3.00	-	-	0.14	3.00
22	PT. R Systems IBIZCS International, Indonesia	0.38	30.63	0.62	13.46	-	-	0.62	13.46
23	IBIZ Consulting Service Limited., Hong Kong	0.04	3.77	0.03	0.63	-	-	0.03	0.63
24	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China	(0.55)	(44.84)	(0.14)	(2.90)	-	-	(0.13)	(2.90)
25	IBIZ Consulting (Thailand) Co. Ltd., Thailand	0.32	25.77	0.51	11.02	-	-	0.51	11.02
26	RSIL Mexico, S. de R.L. de C.V. (subsidiary w.e.f. October 9, 2024)	0.08	6.66	(0.04)	(0.84)	-	-	(0.04)	(0.84)
	Sub total	100.00	8,159.26	100.00	2,166.61	100.00	(9.28)	100.00	2,157.33
	Adjustment arising out of consolidation		(1,918.76)		(854.79)		3.52		(851.27)
	Total		6,240.50		1,311.82		(5.76)		1,306.06

43. The financial statements have been approved by the Board of Directors at its meeting held on February 10, 2026.

**For and on behalf of the Board of Directors of
R Systems International Limited**

Nitesh Bansal

Managing Director & Chief Executive Officer

DIN: 10170738

Place : Philadelphia, USA

Date : February 10, 2026

Ruchica Gupta

Chairperson & Non-Executive Independent Director

DIN: 06912329

Place : New Delhi

Date : February 10, 2026

Nand Sardana

Chief Financial Officer

Place : Greater Noida

Date : February 10, 2026

Bhasker Dubey

Company Secretary & Compliance Officer

Place : Greater Noida

Date : February 10, 2026

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

List of Subsidiaries

S. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency for the relevant Financial year in the case of foreign subsidiaries	Exchange rate as on the last date of the relevant Financial year	Share Capital	Reserves & Surplus	Total assets	Total Liabilities	Investments (other than subsidiary and fellow associates)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	R Systems (Singapore) Pte Limited, Singapore	December 31, 2025	Singapore Dollar	69.88	533.27	(388.02)	338.54	193.29	-	985.49	(417.42)	8.54	(425.96)	-	100.00%
2	R Systems, Inc., USA	December 31, 2025	US Dollar	89.88	138.17	333.46	1,036.04	564.41	-	3,389.61	56.00	8.56	47.43	-	100.00%
3	R Systems Technologies Limited, USA	December 31, 2025	US Dollar	89.88	21.91	26.02	51.31	3.38	-	211.02	11.94	4.33	7.61	-	100.00%
4	R Systems Consulting Services Limited, Singapore ⁽¹⁾	December 31, 2025	Singapore Dollar	69.88	6,048.30	(5,880.32)	284.93	116.96	-	201.14	(36.57)	0.88	(37.45)	-	99.75%
5	R Systems Consulting Services (M) Sdn. Bhd. Malaysia ⁽²⁾	December 31, 2025	Malaysian Ringgit	22.16	90.85	62.21	201.54	48.49	-	443.98	40.91	10.96	29.95	-	99.75%
6	R Systems Consulting Services (Hong Kong) Limited, Hong Kong ^{(2) & (4)}	December 31, 2025	Hong Kong Dollar	11.54	-	(0.88)	8.08	8.95	-	6.21	(2.39)	-	(2.39)	-	99.75%
7	R Systems Consulting Services (Thailand) Co. Ltd., Thailand ⁽²⁾	December 31, 2025	Thai Baht	2.85	5.70	66.30	181.16	109.15	-	398.56	34.55	6.49	28.06	-	99.75%
8	R Systems Consulting Services Kabushiki Kaisha, Japan ⁽²⁾	December 31, 2025	Japanese Yen	0.57	5.74	(60.47)	28.99	83.73	-	0.77	(3.25)	-	(3.25)	-	99.75%
9	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China ⁽²⁾	December 31, 2025	Chinese Yuan	12.84	21.26	(177.76)	8.44	164.94	-	6.97	(21.66)	-	(21.66)	-	99.75%
10	R Systems Consulting Services Company Limited, Vietnam ⁽²⁾	December 31, 2025	Vietnamese dong	0.00	0.82	(7.43)	0.18	6.78	-	1.71	(2.11)	-	(2.11)	-	99.75%

(Rs. in million, except exchange rate)

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

List of Subsidiaries

S. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency for the relevant Financial year in the case of foreign subsidiaries	Exchange rate as on the last date of the relevant Financial year	Share Capital	Reserves & Surplus	Total assets	Total Liabilities	Investments (other than subsidiary and fellow associates)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
11	R Systems Computaris International Limited, UK	December 31, 2025	Euro	105.47	0.08	165.14	281.58	116.36	-	194.96	80.42	1.83	78.59	-	100.00%
12	R Systems Computaris Europe SRL, Romania ⁽³⁾	December 31, 2025	Romanian leu	20.69	58.99	686.35	1,274.82	529.49	-	2,373.17	168.23	26.35	141.88	-	100.00%
13	R Systems Computaris Poland Sp. z o.o., Poland ⁽³⁾	December 31, 2025	Polish Zloty	24.95	49.91	32.99	242.23	159.34	-	624.25	(29.35)	(4.55)	(24.80)	-	100.00%
14	R Systems Computaris S.R.L., Moldova ⁽³⁾	December 31, 2025	Moldovan leu	5.34	0.03	71.56	96.39	24.79	-	231.77	39.31	16.52	22.79	-	100.00%
15	R Systems Computaris Malaysia Sdn. Bhd., Malaysia ⁽³⁾	December 31, 2025	Malaysian Ringgit	22.16	2.13	0.35	2.54	0.06	-	6.82	0.42	0.34	0.07	-	100.00%
16	R Systems Computaris Philippines Pte. Ltd. Inc., Philippines ⁽³⁾	December 31, 2025	Philippine Peso	1.53	15.27	2.51	42.16	24.39	-	39.44	4.03	0.81	3.23	-	100.00%
17	R Systems Computaris Suisse Sàrl, Switzerland ⁽³⁾	December 31, 2025	Swiss Franc	113.32	6.01	(1.71)	4.81	0.52	-	1.21	(1.31)	0.01	(1.32)	-	100.00%
18	RSYS Technologies Ltd., Canada	December 31, 2025	Canadian Dollar	65.59	104.94	46.28	294.77	143.55	-	665.31	37.55	14.65	22.89	-	100.00%
19	R Systems IBIZCS Pte. Ltd., Singapore ⁽⁵⁾	December 31, 2025	Singapore Dollar	69.88	80.43	(8.37)	257.27	185.21	-	468.84	(17.27)	(0.78)	(16.49)	-	100.00%
20	R Systems IBIZCS Sdn .Bhd., Malaysia ⁽⁶⁾	December 31, 2025	Malaysian Ringgit	22.16	11.08	12.65	121.12	97.39	-	162.00	(18.60)	-	(18.60)	-	100.00%
21	PT. R Systems IBIZCS International, Indonesia ⁽⁶⁾	December 31, 2025	Indonesia Rupiah	0.01	13.46	20.06	57.87	24.34	-	115.16	20.87	3.66	17.21	-	100.00%

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

List of Subsidiaries

(Rs. in million, except exchange rate)															
S. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency for the relevant Financial year in the case of foreign subsidiaries	Exchange rate as on the last date of the Financial year	Share Capital	Reserves & Surplus	Total assets	Total Liabilities	Investments (other than subsidiary and fellow associates)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
22	IBIZ Consulting Service Limited, Hong Kong ⁽⁶⁾	December 31, 2025	Hong Kong Dollar	11.54	0.12	4.20	40.51	36.20	-	17.41	0.37	-	0.37	-	100.00%
23	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China ⁽⁷⁾	December 31, 2025	Chinese Yuan	12.84	6.15	(47.22)	21.15	62.22	-	38.58	8.32	0.26	8.05	-	100.00%
24	IBIZ Consulting (Thailand) Co. Ltd., Thailand ⁽⁶⁾	December 31, 2025	Thai Baht	2.85	17.10	(4.75)	28.68	16.32	-	44.49	(17.80)	(0.81)	(16.99)	-	100.00%
25	Velotio Technologies Private Limited, India ⁽⁸⁾ & ⁽¹³⁾	December 31, 2025	Indian Rupee	1.00	0.23	394.84	691.83	296.76	-	1,576.73	282.89	70.51	212.38	-	100% outstanding equity capital
26	Scaleworx Technologies Private Limited, India ⁽⁹⁾ & ⁽¹³⁾	December 31, 2025	Indian Rupee	1.00	0.15	65.95	81.01	14.91	-	93.11	6.60	3.27	3.33	-	100.00%
27	RSIL Mexico, S. de R.L. de C.V., Mexico	December 31, 2025	Maxican Peso	5.00	27.83	(9.37)	29.74	11.28	-	65.43	(11.92)	(3.55)	(8.37)	-	100.00%
28	Novigo Solutions Private Limited, India ⁽¹⁰⁾ , ⁽¹¹⁾ & ⁽¹³⁾	December 31, 2025	Indian Rupee	1.00	26.97	239.93	1,336.99	1,070.09	-	171.65	31.64	21.05	10.59	-	100% outstanding equity capital
29	Novigo for Information Technology, Saudi Arabia ⁽¹²⁾ & ⁽¹³⁾	December 31, 2025	Saudi Riyal	23.94	0.60	160.85	439.35	277.90	-	60.11	21.42	4.45	16.97	-	100.00%
30	Novigo Solutions Inc, USA ⁽¹²⁾ & ⁽¹³⁾	December 31, 2025	US Dollar	89.88	0.01	299.36	453.93	154.56	-	82.44	39.24	(3.75)	42.99	-	100.00%
31	Novigo Solutions Limited, UK ⁽¹²⁾ & ⁽¹³⁾	December 31, 2025	Great British Pound	120.78	0.01	36.22	88.94	52.71	-	19.90	(12.79)	(2.93)	(9.86)	-	100.00%
32	Novigo Solutions B.V., Netherland ⁽¹²⁾ & ⁽¹³⁾	December 31, 2025	Euro	105.47	0.01	(11.40)	3.25	14.65	-	17.40	15.54	-	15.54	-	100.00%

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

Notes :

1. R Systems International Limited holds 69.37% directly in R Systems Consulting Services Limited, Singapore and 30.38% shares through its wholly owned subsidiary i.e. R Systems (Singapore) Pte Limited, Singapore and thus together it holds 99.75% of total capital of R Systems Consulting Services Limited, Singapore.
2. Wholly owned subsidiary of R Systems Consulting Services Limited, Singapore which is the subsidiary of R Systems International Limited as explained in note no 1.
3. Wholly owned subsidiary of R Systems Computaris International Limited, United Kingdom, which is the wholly owned subsidiary of R Systems International Limited.
4. The absolute amount of share capital in R Systems Consulting Services (Hong Kong) Limited, Hong Kong is Rs. 12 /- (2 ordinary shares of HKD 1 each).
5. Wholly owned subsidiary of R Systems (Singapore) Pte Ltd., Singapore which is the wholly-owned subsidiary of R Systems International Limited.
6. Wholly owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore which is the wholly-owned subsidiary of R Systems (Singapore) Pte Limited, Singapore as explained in note no. 5.
7. Wholly owned subsidiary of IBIZ Consulting Service Limited, Hong Kong which is the wholly-owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore as explained in note no. 6.
8. The Share capital of Velotio Technologies Private Limited includes 123,850 preference share amounting to Rs. 0.12 million which are held by erstwhile shareholder of Velotio Technologies Private Limited.
9. Wholly owned subsidiary of Velotio Technologies Private Limited which is the subsidiary of R Systems International Limited.
10. On November 13, 2025, R Systems International Limited has acquired 100% outstanding equity capital of Novigo Solutions Private Limited, India.
11. The Share capital of Novigo Solutions Private Limited includes 1,700,000 Compulsory Convertible Preference Shares amounting to Rs. 17 million which are held by erstwhile shareholder of Novigo Solutions Private Limited.
12. Wholly owned subsidiary of Novigo Solutions Private Limited, India. which is the subsidiary of R Systems International Limited.
13. Reporting period for all the subsidiaries is financial year i.e. January to December except for Velotio Technologies Private Limited, Scaleworx Technologies Private Limited, Novigo Solutions Private Limited, Novigo for Information Technology, Novigo Solutions Inc, Novigo Solutions Limited & Novigo Solutions B.V. which follows April to March as its financial year.
14. INR numbers are derived by converting respective reporting currency using closing rate.

For and on behalf of the Board of Directors of R Systems International Limited

Nitesh Bansal

Managing Director &
Chief Executive Officer

DIN: 10170738

Place : Chişinău, Moldova

Date : May 27, 2026

Ruchica Gupta

Chairperson & Non-Executive
Independent Director

DIN: 06912329

Place : New Delhi

Date : May 27, 2026

Nand Sardana

Chief Financial Officer

Place : Greater Noida

Date : May 27, 2026

Piyush Jain

Company Secretary &
Compliance Officer

Place : Greater Noida

Date : May 27, 2026

NOTICE

NOTICE

R SYSTEMS INTERNATIONAL LIMITED

NOTICE OF THE THIRTY SECOND ANNUAL GENERAL MEETING

[Corporate Identification Number – L74899DL1993PLC053579]

Registered Office: GF-1-A, 6, Devika Tower, Nehru Place, New Delhi -110019, India

Corporate Office: 3rd Floor, Tower No. 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector TechZone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh - 201306, India Tel.: +91 – 120 – 4303500.

Website: www.rsystems.com; Email: rsil@rsystems.com

NOTICE is hereby given that Thirty Second Annual General Meeting of the shareholders of R SYSTEMS INTERNATIONAL LIMITED (the “Company”/“R Systems”) will be held on Thursday, June 25, 2026 at 09:30 A.M. (IST) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt audited financial statements (including consolidated financial statements) of the Company for the financial year ended December 31, 2025 and the Reports of the Board of Directors and the Auditors thereon.
2. To confirm interim dividend of INR 6.00/- per equity share, declared and paid for the financial year ended December 31, 2025.
3. To appoint a director in place of Mr. Animesh Agrawal (DIN: 08538625), who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board
For **R Systems International Limited**

Date : May 27, 2026
Place : Greater NOIDA

Piyush Jain
(Company Secretary & Compliance Officer)
Mem. No. A44656

1. The Ministry of Corporate Affairs, Government of India ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 5, 2020 read with other related circulars including the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM"/"Meeting") through Video Conferencing facility/Other Audio Visual Means ("VC"/"OAVM") without the physical presence of the Members at a common venue in compliance with the provisions of the Companies Act, 2013 (the "Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and relevant SEBI Circulars, the 32nd AGM of the Company is being held through VC/OAVM.

The deemed venue for the AGM shall be the Registered Office of the Company. Since the AGM is being held through VC/OAVM facility, the Route Map is not annexed in this Notice.

2. For the purpose of convening AGM, the Company has appointed MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar and Share Transfer Agent of the Company ("MUFG Intime"/"RTA"), to provide the VC/OAVM facility for conducting the AGM and for voting through remote e-Voting or e-Voting at the AGM. The procedure for participating in the meeting through VC/OAVM is explained in notes.
3. Since, the AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by members will not be available. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. In compliance with the aforesaid MCA Circular and SEBI Listing Regulations, Notice of the AGM along with Annual Report for the year 2025 is being sent only through electronic mode to those members whose email addresses are registered with the Company/RTA or the Depositories.
5. The Notice of AGM and Annual Report will be sent to those Members/beneficial owners whose name appears in the register of Members/list of beneficiaries received from the Depositories as on Friday, May 22, 2026.
6. The Annual Report of financial year ended December 31, 2025 of the Company along with the Notice convening this AGM, will be made available on the Company's website at www.rsystems.com as well as on the Stock Exchange websites (www.bseindia.com and www.nseindia.com) and on the website of RTA at <https://instavote.linkintime.co.in/>. Physical copy of the Annual Report shall be sent to those Members who request the same.

Additionally, a letter providing the web link to access the Notice of the AGM and Annual Report is being sent to those shareholders whose e-mail IDs are not registered with the Company/RTA or the Depositories.

7. Members who have not registered/updated their email address are requested to register/update the same (i) in case of shares held in demat mode, as per the process advised by concerned DP's; and (ii) in case of shares held in physical mode by providing the requisite documents at https://web.in.mpms.mufg.com/helpdesk/Service_Request.html.

8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. The register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the register of contracts or arrangements in which Directors are interested under Section 189 of the Act, the certificate from the Secretarial Auditors of the Company under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, certificate from the Statutory Auditors of the Company certifying compliance with the downstream investment as mentioned in Foreign Exchange Management (Non-debt Instruments) Rules, 2019 or any other documents referred to in the accompanying Notice, shall be made available for inspection electronically by the Members, during business hour, in accordance with the applicable statutory requirements based on the requests received by the Company at investors@rsystems.com. The said documents shall also be available during the AGM.
10. In accordance with the SEBI Listing Regulations, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.
11. Further, as per SEBI Circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) has mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or choice of nomination or contact details or mobile number or bank account details or specimen signature updated, shall not be eligible for any payment including dividend, interest or redemption in respect of such folios. The formats for Nomination and Updation of KYC details viz: Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on website of RTA at: <https://web.in.mpms.mufg.com/KYC-downloads.html>
12. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members can nominate a person in respect of all the shares held by him singly or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the following weblink: <https://web.in.mpms.mufg.com/KYC-downloads.html>. Members holding shares in electronic form may approach their respective DPs for completing the nomination formalities.

13. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate such changes to Company's RTA through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) at the weblink https://web.in.mpms.mufg.com/helpdesk/Service_Request.html
14. In terms of Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund ("IEPF"). The due dates for transfer of unclaimed dividend and unclaimed shares to IEPF are provided in the report on Corporate Governance. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund.
15. The Company has uploaded information of unclaimed dividends on the websites of the IEPF viz. www.iepf.gov.in and of the Company <https://www.rsystems.com/investors-info/unpaid-and-unclaimed-dividend/>. Further, the Company has also uploaded on its website, details of unclaimed interim dividend for the financial year ended December 31, 2025.
16. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5. The said form is available on MCA's website: www.mca.gov.in.
17. SEBI vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 (updated as on August 04, 2023) and SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023 had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ("ODR") through a common ODR portal. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievance with the Company/RTA directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through our website at <https://www.rsystems.com/investor-services/>. Members can access the SEBI Circulars on the website of SEBI at <https://www.sebi.gov.in/> and the same are also available on the website of the Company at <https://www.rsystems.com/corporate-governance/investor-services/>.
18. Additional information, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards issued by ICSI in respect of director re-appointing at the AGM is appended as Annexure A and forms part of this Notice.
19. Shareholders who have already voted prior to the meeting date would be entitled to attend not be entitled to vote at the Meeting.
20. **Remote e-Voting instructions for shareholders**

The remote voting period begins on Monday, June 22, 2026 at 09:00 A.M. and ends on Wednesday, June 24, 2026 at 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, June 18, 2026, may cast their vote

electronically. The e-Voting module shall be disabled by RTA for voting thereafter.

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 i.e. Thursday, June 18, 2026.

The details of the process and manner for remote e-Voting are explained herein below:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/ mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-Voting period.

METHOD 2 - NSDL IDeAS facility

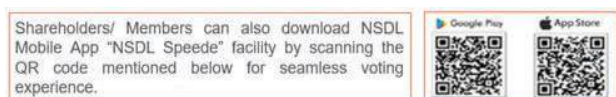
Shareholders registered for IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "IDeAS Login Section".
- b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-Voting period.

Shareholders not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

- c) Enter the last 4 digits of your bank account/generate 'OTP'
- d) Post successful registration, user will be provided with Login ID and password.
- e) Follow steps given above in points (a-d).



METHOD 3 - NSDL e-Voting website

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the "Login" tab available under 'Shareholder/ Member' section.
- c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "e-Voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-Voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 - CDSL e-Voting page

- a) Visit URL: <https://www.cdslindia.com>.
- b) Go to e-Voting tab.
- c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account.
- e) Post successful authentication, user will be able to see e-Voting option. The e-Voting option will have links of e-Voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "e-Voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-Voting period.

METHOD 2 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".
- b) Enter existing username, Password & click on "Login".
- c) Post successful authentication, user will be able to see e-Voting option. The evoting option will have links of e-Voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "e-Voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-Voting period.

Shareholders not registered for Easi/Easiest facility:

- a) To register, visit URL:
<https://web.cdslindia.com/myeasitoken/Home/EasiRegistration/>
<https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration/>
- b) Proceed with updating the required fields for registration.
- c) Post successful registration, user will be provided username and password on the registered email id.
- d) Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-Voting facility.

- a) Login to DP website.
- b) After Successful login, user shall navigate through "e-Voting" option.
- c) Click on e-Voting option, user will be redirected to NSDL/CDSL Depository website after successful authentication, wherein user can see e-Voting feature.
- d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-Voting period.

Login method for shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-Voting may register and vote on InstaVote as under:

STEP 1: LOGIN/SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- b) Enter details as under:
 1. User ID: Enter User ID.
 2. Password: Enter existing Password.
 3. Enter Image Verification (CAPTCHA) Code.
 4. Click "Submit".

(Home page of e-Voting will open. Follow the process given under "Steps to cast vote for Resolutions").



Shareholders not registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:

1. User ID: Enter User ID.
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable).

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no, registered with the Company

3. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format).
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - o Shareholders, holding shares in **NSDL form**, shall provide 'point 4' above.
 - o Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
 - o Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above.
5. Set the password of your choice. (The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote). Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above.

STEP 2: Steps to cast vote for Resolutions through InstaVote

- a. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-Voting".
- b. Select 'View' icon. e-Voting page will appear.
- c. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- d. After selecting the desired option i.e. Favour/Against, click on 'Submit'.
- e. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at dpv@dpvassociates.com with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at rsil@rsystems.com.

Guidelines for Institutional shareholders ("Custodian/Corporate Body/Mutual Fund")

STEP 1 – Custodian/Corporate Body/Mutual Fund Registration

- a. Visit URL: <https://instavote.linkintime.co.in>.
- b. Click on "Sign Up" under "Custodian/Corporate Body/Mutual Fund".
- c. Fill up your entity details and submit the form.
- d. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote).

STEP 2 – Investor Mapping

- a. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b. Click on "Investor Mapping" tab under the Menu section.
- c. Map the Investor with the following details:
 - 1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
 - 2) 'Investor's Name' - Enter Investor's Name as updated with DP.
 - 3) 'Investor PAN' - Enter your 10-digit PAN.
 - 4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

- d. Click on Submit button. (The investor is now mapped with the Custodian/Corporate Body/Mutual Fund Entity). The same can be viewed under the "Report section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-Voting period.

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on "Votes Entry" tab under the Menu section.
- c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".
- d) Enter "16-digit Demat Account No."

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour/Against, click on 'Submit'.

f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- After successful login, you will see "Notification for e-Voting".
- Select "View" icon for "Company's Name/Event number".
- E-Voting page will appear.
- Download sample vote file from "Download Sample Vote File" tab.
- Cast your vote by selecting your desired option 'Favour/Against' in the sample vote file and upload the same under "Upload Vote File" option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at dpv@dpvassociates.com with a copy marked to RTA at enotices@in.mpms.mufig.com and the company at rsil@rsystems.com.

HELPPDESK

Shareholders holding securities in physical mode/Non-Individual shareholders holding securities in demat mode:

Shareholders holding securities in physical mode/Non-Individual shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufig.com or contact on: - Tel: 022 - 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll-free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company.

- Click on "Login" under 'SHARE HOLDER' tab.
- Further Click on "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian/Corporate Body/Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under "Custodian/Corporate Body/Mutual Fund" tab.
- Further Click on "forgot password?".
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at Above mentioned depository/depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

21. INSTRUCTIONS FOR SHAREHOLDERS FOR JOINING AND E-VOTING AT THE AGM THROUGH VC/OAVM

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the AGM through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.mufig.com> & click on "Login".
- b) Select the "Company Name" and register with your following details:
- c) Select Check Box - **Demat Account No/Folio No/PAN**
 - Shareholders holding shares in NSDL/CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.

d) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to speak during the AGM through InstaMeet:

- a) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at rsil@rsystems.com. The same will be replied by the company suitably.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.
- e) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM, depending on the availability of time.

Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

Instructions for shareholders to vote during the AGM through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-Voting can cast the vote as under:

- a) On the Shareholders VC page, click on link "Cast your vote".
- b) Enter your 16-digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InstaMeet.
- c) Click on 'Submit'.
- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/Members who have voted through Remote e-Voting prior to the AGM will be eligible to attend/participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the Meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufig.com or contact on: - Tel: 022 – 4918 6000/4918 6175.

Other Instructions

1. Mr. Devesh Kumar Vasisht, Managing Partner and/or Mr. Parveen Kumar, Partner of M/s. DPV & Associates LLP, Company Secretaries (Firm Registration No. L2021HR009500), have been appointed as the Scrutinizer to scrutinize the remote e-Voting process and voting during AGM in a fair and transparent manner.
2. The Scrutinizer shall, immediately after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairperson or a person authorized by her, within 2 (two) working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
3. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.rsystems.com and on the website of RTA i.e. <https://instavote.linkintime.co.in/> immediately after the declaration of result by the Chairperson or a person authorized by her in writing. The results shall also be immediately forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.
4. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the AGM i.e. June 25, 2026.

Annexure A

Details of Director seeking re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by ICSI.

Name of Director	Animesh Agrawal
Date of birth	July 19, 1990
Initial date of appointment	May 10, 2023
Qualifications	Mr. Animesh has received a Bachelor in Mechanical Engineering from Indian Institute of Technology Delhi. He holds an M.B.A. from the Stanford Graduate School of Business, where he was named a Siebel Scholar and an Arjay Miller Scholar.
Expertise in specific functional area	Mr. Animesh Agrawal is a Managing Director in Blackstone's Private Equity Group. Since joining Blackstone in 2014, he has been involved in several of Blackstone's investments in India and South Asia, in the technology-enabled services and consumer derivative sectors. Previously, Mr. Animesh worked as a management consultant with McKinsey & Company.
Past remuneration	Nil
Terms and conditions of re-appointment	As per the resolution at Item no. 3 of this Notice. Mr. Animesh Agrawal's office as director shall be subject to retirement by rotation.
Remuneration proposed to be paid	Nil
Directorship held in other Indian companies as on date	EPL Limited PGP Glass Limited AGS Health Limited
Membership/chairmanship in committees of other companies*	He holds the membership in following Committees of the board of EPL Limited a) Audit Committee b) Stakeholders Relationship Committee
Number of shares held in company[#]	Nil
Relationships between directors inter-se	Mr. Mukesh Mehta, Mr. Amit Dalmia and Mr. Animesh Agrawal are associated with Blackstone Group. Apart from above, no director is related to other director.
No. of board meetings attended during the financial year ended December 31, 2025	6 out of 7 Board Meetings held during the financial year.

*covers only Audit and Stakeholders Relationship Committee in all public limited companies except R Systems International Limited

[#]As on May 27, 2026



About R Systems

R Systems is a digital product engineering company that builds software from embedded systems through cloud platforms for clients in technology, telecom, media, healthcare, financial services, manufacturing, and logistics. The company's engineering capability spans AI and agentic systems, cloud and DevOps, data and analytics, embedded software, automation, and enterprise platform services, delivered through OptimaAI and a proficiency-validated workforce of 5,300+ engineers across 22 development centers in 20 countries. Over three decades of sustained delivery underpin the production outcomes, platform migrations, AI deployments, and workforce transformation documented in this report. R Systems maintains active corporate social responsibility programs in education, environmental sustainability, community development, and vocational training across its operating regions.