September 1, 2026

**BSE Limited**
Corporate Relations Department
P. J. Towers, Dalal Street
Mumbai - 400 001.

**Scrip Code: 532859**

**National Stock Exchange of India Ltd.**
"Exchange Plaza",
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

**Symbol: HGS**

Dear Sirs,

**Sub: Submission of Annual Report for the Financial Year 2025-26 and Notice of 31st Annual General Meeting ('AGM')**

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report for FY 2025-26 and the Notice of 31st AGM being sent to the shareholders of Hinduja Global Solutions Limited ('the Company'). The Annual Report is also available on the website of the Company at https://hgs.com/reports/2026/09/Hinduja-Global-Solutions-Limited-AR-2025-26.pdf

We request you to note that the said AGM will be held on Friday, September 25, 2026 at 5.00 p.m. IST through Video Conference and Other Audio Visual Means ('VC').

Further, we wish to inform you that:

- The Company has fixed Friday, September 18, 2026 as the cut-off date to determine the eligibility of members to vote by electronic means (i.e., remote e-voting) and e-voting during the AGM; and

- The remote e-voting commences at 9.00 a.m. IST on Monday, September 21, 2026 and ends at 5.00 p.m. IST on Thursday, September 24, 2026. The facility of casting votes by Members using remote e-voting and voting during the AGM will be provided by National Securities Depository Limited. The detailed procedure of casting the votes through e-voting is provided in the Notice of the AGM also available at https://hgs.com/reports/2026/09/Notice-of-31st-Annual-General-Meeting.pdf

Thanking you,

For **Hinduja Global Solutions Limited**

NARENDRA SINGH Digitally signed by NARENDRA SINGH Date: 2026.09.01 17:00:59 +05'30'

**Narendra Singh**
**Company Secretary**
**F4853**

Encl: As above

ANNUAL REPORT FY2026

# Experience Intelligence

HINDUJA GROUP


# Experience Intelligence

Organizations today are focused on improving performance, simplifying complexity, and adapting to rapidly evolving customer expectations. **Experience Intelligence**, the theme of HGS's FY2026 Annual Report, reflects our belief that technology creates value only when it is embedded into the way work gets done and delivers meaningful business results.

As a user-centric technology services company, HGS helps clients strengthen the systems and processes that power their business. By bringing together applied AI, automation, data, technology expertise, and human judgment, we enable faster decisions, greater productivity, and more personalized customer and employee experiences. This approach comes to life through three connected pillars: **Intelligent Interactions, Intelligent Operations, and Intelligent Platforms,** helping organizations reduce complexity, work more efficiently, and create stronger connections across their business.

Supporting this approach is **Realized AI,** HGS's disciplined methodology for turning AI ambition into measurable value. Focused on clearly defined outcomes, proof of value, and responsible scaling, it helps organizations move beyond experimentation and apply intelligence where it can make the greatest difference. Backed by decades of expertise across customer experience, enterprise technology, data, automation, and business operations, Experience Intelligence represents HGS's vision for the future: combining technology and human expertise to help businesses operate smarter, grow stronger, and deliver outcomes that matter.

In loving memory of

# Gopichand Parmanand Hinduja
# (1941 – 2025)

Great institutions are shaped not only by strategy and ambition, but by the values and vision of the leaders who guide them across generations.

At HGS, we remember **GP – Gopichand P. Hinduja** as a distinguished business leader, visionary entrepreneur, and Chairman of the Hinduja Group, whose stewardship helped shape one of the world's most respected and diversified global business groups.

Throughout his remarkable journey, GP championed a philosophy of responsible growth, entrepreneurship, and long-term value creation. Under his leadership, the Hinduja Group expanded its global presence across industries and geographies while remaining firmly rooted in its founding principles of integrity, ethics, vision, and a steadfast commitment to building institutions that create lasting impact.

Beyond his business accomplishments, he was admired for his humility, foresight, and unwavering commitment to building enduring institutions. His charismatic personality, coupled with his ability to connect with people, earned him the trust, respect, and admiration of colleagues, partners, and communities worldwide. His belief in values-led leadership and meaningful relationships earned him deep respect across the global business community.

As we come to terms with this profound loss, our abiding tribute will be to carry forward the principles he championed continue to inspire businesses across the Hinduja Group, including HGS, reinforcing a culture of excellence, resilience, and purpose.

HINDUJA

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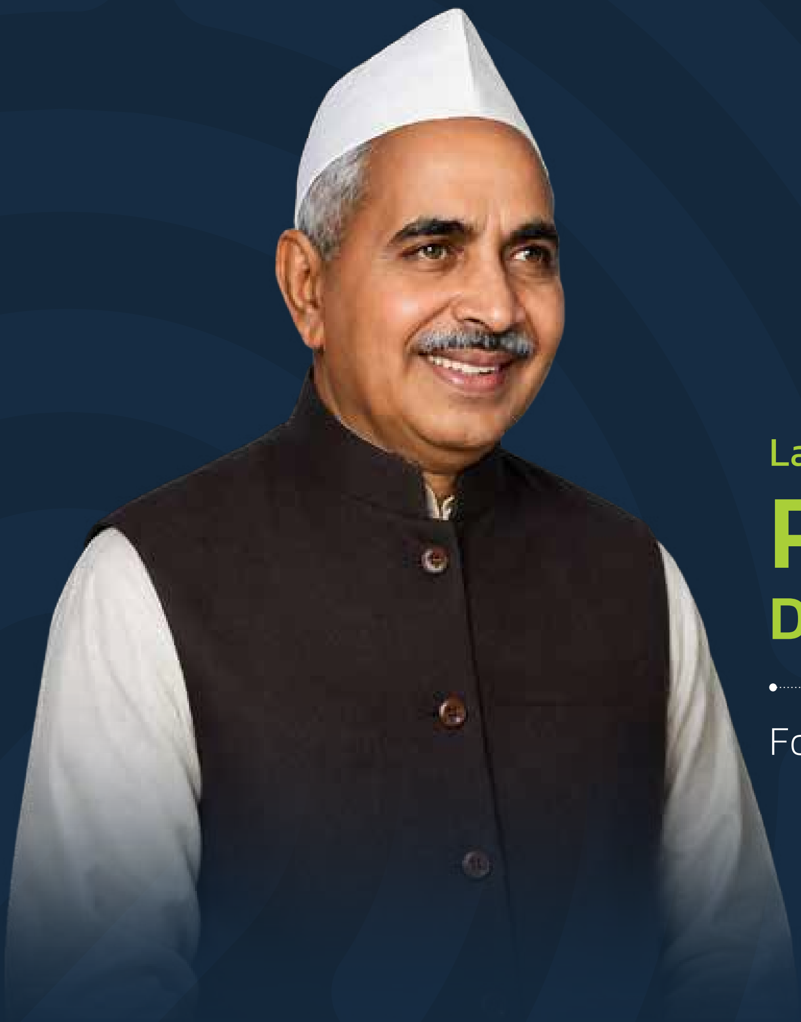


Late Shri

# Parmanand Deepchand Hinduja

Founder - Hinduja Group

**Work to Give**

**Act Local, Think Global**

**Word is a bond**

**Advance fearlessly**

**Partnership for growth**

"

The five principles, distilled from the lifetime experiences of the Founder of the Hinduja Group, **Late Shri Parmanand D. Hinduja,** serve as the cultural cornerstones of the businesses of the Group, leading to a synergistic and creative partnership of professional management and entrepreneurship among the Group companies.

# Our Purpose

We enrich lives through exceptional experiences to connect, empower, and inspire people.

# Our Vision

To be the most trusted partner for clients driving global business transformation to create intelligent experiences.

# Our Mission

Enrich lives by delivering intelligent experiences:

- Empowering people to be agile and responsible
- Leveraging AI-led technology to develop innovative and differentiated solutions
- Unlocking value through strategic partnerships to drive competitive advantage

# Values

### Integrity

Our word is our bond. We deliver on our promises every time.

### Excellence

We raise the bar higher and higher. Continuous innovation is in our DNA.

### Collaboration

Your success is our success. We align everyone and everything needed to achieve our shared goals together.

### Sustainability

We work to give. We care for our planet as well as our people, clients, and partners.

### Inclusivity

Together, we progress. We embrace differences and foster an environment of mutual trust, respect, and equality.

# HGS At A Glance

HGS is a global provider of technology, AI, and business services that helps organizations transform with confidence. Rooted in decades of operational excellence, HGS combines automation, analytics, artificial intelligence, and deep domain expertise to deliver Intelligent Experiences across the customer lifecycle, from digital customer care to back-office operations, human resources outsourcing, and advanced contact center solutions.

Building on our strong foundation in CX and business process management, we are expanding into new related areas by integrating technology, data, and operational insight to deliver real business results. Our Realized AI methodology brings discipline, speed, and certainty to transformation, delivering right-sized, practical solutions that work here and now, including a 90-day Proof of Value commitment that validates measurable impact in live environments before scaling.

HGS also operates **NXT**DIGITAL (www.nxtdigital.in), India's premier digital media distribution company, providing satellite, digital cable, and broadband services to over 4.8 million customers across 1,500 cities and towns.

Part of the multi-billion-dollar Hinduja Group, HGS takes a "globally local" approach with 17,110 employees across 10 countries and 23 delivery centers, supporting some of the world's most recognized brands. For the year ended March 31, 2026, HGS reported total income of ₹4,857.0 crore (US$ $547.3 million).

**HGS. Experience Intelligence.**
Learn more at https://hgs.com.

## HGS's Presence: Total 23 delivery centers


Notes:

*Number of delivery centers is as of March 31st, 2026 | **Australia, Switzerland – Sales Office | ***All work from home

Apart from 11 delivery centers in India, **NXT**DIGITAL media businesses have 125+ owned-and-operated **NXT**HUBs set up across India

# HGS at a Glance

## Intelligence at scale
## Global reach, local teams, measurable results

Our approach gives clients right-sized solutions that rapidly start delivering value.
We collaboratively guide businesses so the outcomes stick.

**17K+** Employees

**1.3K+** BPM, Digital, HRO, and F&A clients

**40%** of revenue comes from clients with 10+ yrs tenure.

**55+** Technology partners

**900+** Digital Experts

**23** Delivery centers in **10** countries

## Our Capabilities

- AI & Agentic AI
- Brand Experience
- DX Engineering
- Automation
- Data & Analytics
- Cloud
- Cybersecurity
- Trade Promotions
- Planning (xP&A)

- Digital Marketing
- Customer Service
- Enterprise Technology
- Sales & Commerce
- HR & Payroll
- Finance & Accounting

# Board of Directors

Hinduja Global Solutions Limited

**Shri Ashok P Hinduja**
Chairman

**Amit Saharia**
Non-Independent Director

**Bhumika Batra**
Independent Director

**Dr. Ganesh Natarajan**
Independent Director

**Munesh Khanna**
Independent Director

**Pradeep Udhas**
Independent Director

**Vynsley Fernandes**
Whole-time Director

# Chairman's Message

> At HGS, we believe sustainable competitive advantage comes from an organization's ability to combine technology, data and human expertise to create better experiences and better outcomes. Our positioning around Experience Intelligence reflects this belief and our continued evolution as an intelligent experience company.

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to share with you the Annual Report of HGS for FY2026.

The last fiscal was a year of both opportunity and uncertainty. The global macro-economic environment remained dynamic, shaped by geo-political developments, shifting trade patterns, evolving supply chains and rapid advances in technology. At the same time, many economies demonstrated underlying resilience, and enterprises continued to invest in initiatives that could improve productivity, strengthen customer relationships and deliver measurable business outcomes.

Today, the focus for organizations has shifted from transformation as an isolated initiative to transformation as an ongoing capability. They are increasingly seeking partners who can help simplify complexity, improve efficiency and create meaningful value for customers and stakeholders alike. Technology remains an important enabler of this change, but the real value comes from its ability to solve practical business problems and deliver sustainable outcomes, particularly across process and customer experience transformation.

The Hinduja Group has always crafted its own Imprint by staying at the front of the pack across the sectors we invest in. The digital solutions business is experiencing a seismic shift in the industry, and HGS is changing gears to stay ahead. Your Company delivered a resilient performance, supported by disciplined execution, strategic focus and a commitment to long-term value creation. As technology reshaped customer expectations and business models, HGS remained focused on helping clients navigate change, improve performance and respond to evolving customer expectations across industries and geographies. Our strategic evolution toward **Intelligent Experience** reflects our belief that the future lies at the intersection of AI, digital operations and human ingenuity, positioning us well for the next phase of growth and transformation.

**Experience Intelligence**

At HGS, we believe sustainable competitive advantage comes from an organization's ability to combine technology, data and human expertise to

# Chairman's Message

create better experiences and better outcomes. Our positioning around Experience Intelligence reflects this belief and our continued evolution as an intelligent experience company. By bringing together artificial intelligence, analytics, automation and deep operational expertise, we help enterprises improve customer engagement, optimize operations and create value in a rapidly changing business environment.

The global adoption of AI is reshaping industries at an unprecedented pace. HGS has taken deliberate steps to remain at the forefront of this transformation by embedding intelligence across the experience lifecycle. Through our growing portfolio of AI-powered solutions, digital capabilities, and the expansion of platforms such as Agent X, we are enabling clients to create seamless, personalized, and efficient experiences while unlocking new opportunities for growth and innovation.

**Strategic Transition and Leadership**

The year also marked an important milestone in our leadership journey. Following the retirements of Partha DeSarkar and Srinivas Palakodeti after distinguished tenures with the Company, Venkatesh Korla and Mahesh Kumar Nutalapati took over as Global CEO and CFO, respectively, in end-May 2025. Under the new management team, HGS has further sharpened its strategic focus, enhanced execution discipline and accelerated investments in future-ready capabilities. The leadership transition has been seamless, preserving the values that have long defined HGS while embracing new opportunities to strengthen our competitive position and drive long-term value creation.

**Performance in Perspective**

Your Company delivered strong operational performance with reported total income of ₹4,857 crore and EBITDA of ₹648.6 crore, reflecting disciplined cost management, operational efficiencies and a growing contribution from AI-enabled services. The Board has recommended a final dividend of ₹5 per equity share, reaffirming our commitment to delivering shareholder value while continuing to invest prudently in growth, innovation and talent.

One of the highlights of the year was the addition of 79 new clients - the highest in HGS's history, reflecting the strength of our market positioning and providing a strong foundation for future growth. In July 2026, we also expanded our international footprint with a new entity in Dubai focused on the MENA region. This move reinforces our commitment to expanding our technology and consulting capabilities, creating a platform to support growth in key international markets.

At the same time, our investments in HGS Agent X, industry-specific AI solutions, digital capabilities and platform-led services, together with the successful integration of **NXT**DIGITAL, are creating a more diversified and resilient revenue portfolio while expanding our growth opportunities across customer experience, digital infrastructure, broadband, media and enterprise connectivity.

**Project GANGA and a Commitment to Digital India**

Within our Digital Media business, we continued to adapt proactively to changing market dynamics. Strategic initiatives focused on broadband expansion, enterprise connectivity and digital inclusion have helped position the business to be at the forefront of India's evolving digital economy.

A key initiative that we are proud of is the signing of a Memorandum of Understanding (MoU) between the broadband vertical unit OneOTT Intertainment Ltd. (OIL) and the State Transformation Commission (STC), Government of Uttar Pradesh (UP), for the rollout of Project GANGA (Government Assisted

# Chairman's Message

Network for Growth & Advancement), a large-scale digital inclusion initiative in the state. Project GANGA aims to bridge the digital divide in Uttar Pradesh by enabling 8,000–10,000 local entrepreneurs, with 50% of them being women; to operate as Digital Service Providers (DSPs) and deliver high-speed broadband connectivity. The initiative is expected to connect over 2 million households in the next 2–3 years, while creating more than 100,000 direct and indirect employment opportunities. As of 15-Aug 2026, we have received over 2500 applications and trained over 600 applicants, at training centers in Lucknow, Prayagraj & Noida, as well as through online classes. We have just commissioned a dedicated training center in Lucknow and rolled out an online LMS or Learning Management System "Project GANGA Learning Hub" for continuous education and upskilling. The signing of Project Ganga reflects our commitment to lead the charge in extending the benefits of digital infrastructure and connectivity to underserved communities, while supporting broader economic and social development.

**People and Culture**

As technology continues to redefine the nature of work, investing in people remains one of our highest priorities. Through continuous learning, digital and AI upskilling, leadership development and a strong culture of innovation, accountability and inclusion, we are building a workforce equipped to help clients and the Company succeed in a changing world.

As we look ahead, we remain confident in the opportunities before us. The demand for customer-centric, technology-enabled and outcome-driven solutions is expected to continue growing as enterprises seek to become more agile, efficient and responsive. With a strengthened leadership team, a clear strategic direction and differentiated capabilities in Intelligent Experience and digital operations, HGS is well-positioned to support clients in the next phase of their transformation journey.

In closing, I thank our clients, employees, partners and shareholders for their continued trust and support. Together, we will continue to build a stronger, more resilient and future-ready HGS, creating sustainable value for all our stakeholders and the communities we serve.

Warm regards,

**Ashok P. Hinduja**
Chairman, HGS

# Message from Venk's Desk

"HGS continued its evolution into an Intelligent Experience company, bringing together customer experience, digital operations and platforms through a more integrated value proposition aligned to our clients' priorities. The goal is simple: enable better decisions, more efficient operations and experiences that create lasting value for customers and employees."

**Dear Shareholders,**

FY2026 was an important year in HGS's journey. Across industries, organizations continued to adapt to evolving customer expectations, rapid technological advances and an increasingly competitive business environment. The conversation is no longer simply about adopting AI... it is increasingly about how intelligence can be applied across day-to-day operations to simplify work, improve decision-making and enhance experiences for customers and employees.

These evolving industry needs defined our decisions throughout the year and continue to shape the direction of your Company.

**From Progress to Reinvention**

For many years, HGS has been guided by the belief that technology alone is not the differentiator. What matters is how effectively new capabilities are applied to solve business challenges and deliver meaningful results. We have seen this through successive waves of change... from automation and cloud to analytics and now AI. The organizations creating the greatest impact today are not necessarily those adopting AI first, but those integrating it seamlessly into the processes, decisions and experiences that power their business.

Against this backdrop, HGS continued its evolution into an **Intelligent Experience** company, bringing together customer experience, digital operations and platforms through a more integrated value proposition aligned to our clients' priorities. During the year, we unveiled our new brand positioning, reflecting a clear step forward in how we approach AI-led transformation. Supported by our 90-day Proof of Value commitment, this approach is focused on helping clients move from experimentation to execution... and from AI ambition to measurable results.

For us, Intelligent Experience is about helping organizations work smarter by combining applied AI, data, automation, technology expertise and human judgment. The goal is simple: enable better decisions, more efficient operations and experiences that create lasting value for customers and employees.

At the heart of this strategy is **Realized AI.** While interest in AI has accelerated significantly, enterprises are increasingly focused on execution. They are looking for solutions that deliver measurable impact in live business environments, with the governance, transparency and human oversight required for responsible scale. Our focus is on helping clients operationalize AI in ways that deliver practical impact today while creating a strong foundation for future scale.

**Developing Solutions that Deliver Outcomes**

Our investments in agentic AI platforms and solutions such as Agent X, CHC+, Interaction Intelligence and AMLens are helping clients move faster from ideas to outcomes. These capabilities are enabling organizations to embed AI directly into business processes, automate repetitive work, improve decision-making and enhance customer and employee experiences. A good example is AMLens, our AI-powered solution for Anti-Money Laundering operations, which is already delivering tangible benefits for BFSI clients by accelerating investigations, improving accuracy and enhancing compliance outcomes.

The recognition received for our innovations by third-party organizations during the year is also strong validation of the differentiated expertise we are building. Our solutions were awarded in areas such as AI-led financial crimes detection, innovation in cybersecurity and privacy, and AI in customer service capabilities.

# Message from Venk's Desk

FY2026 also demonstrated the strength of our market relevance and go-to-market momentum. We added 79 new clients, the highest annual client addition in HGS' history, while also signing multiple engagements with existing clients for HGS' AI-led digital solutions... reflecting the breadth of our relationships and the continued trust enterprises place in HGS. This momentum is important because it shows that our client conversations are moving in the right direction.

We also expanded our market presence and strengthened our ecosystem during the year. HGS launched an AI-powered Digital CX and Data Innovation Hub in Waterloo, Canada, opened a new Intelligent Experience Hub in Manila, Philippines, and strengthened AI-led delivery through partnerships such as NiCE and Microsoft Fabric. HGS UK was also named as a supplier on the Crown Commercial Service's Technology Services 4 framework, strengthening our ability to support public sector transformation in the UK. I am also pleased to share that HGS achieved an NPS score of 60 in its 2026 customer satisfaction survey, placing us in the top quartile of industry benchmarks. Together, these achievements demonstrate the growing relevance of our capabilities across priority markets and strengthen our conviction in the opportunity ahead.

**Executing with Discipline, Growing with Purpose**

Our performance during FY2026 reflected the resilience of our business. We reported total income of ₹4,857 crore, EBITDA of ₹648.6 crore and EBITDA margins of 13.4%, while continuing to invest in future-ready capabilities, talent and innovation.

The year was characterized by operational discipline and continued progress in reshaping our portfolio toward higher-value digital, AI-enabled and platform-led services. Although the last few quarters have been softer from a financial performance perspective, the fundamentals of the business remain healthy, supported by strong client momentum, a healthy pipeline and continued demand for AI-led transformation initiatives.

We also remain focused on strengthening the foundations of the business through operational efficiencies, internal restructuring, technology transformation, realignment of business functions and prudent cost management. These actions are helping build a stronger, more agile organization that is better positioned for sustainable long-term growth.

Our Digital Media business continued to strengthen HGS' diversified portfolio, with a focus on broadband retail and enterprise services (CelerityX) as the engines of forward growth. Partnerships with key government programs such as Project GANGA in Uttar Pradesh further reflect the potential of this business by enabling local entrepreneurs to deliver high-speed broadband access, support digital inclusion and create livelihood opportunities across underserved communities.

**People at the Heart of our Transformation**

None of this progress would have been possible without our people. Across geographies and business lines, our teams demonstrated resilience, adaptability and a deep commitment to our clients and to one another during a period of significant change.

As AI reshapes how work gets done, our people remain our greatest strength. Their ability to learn, collaborate, innovate and stay close to clients is what differentiates HGS. We remain committed to investing in continuous learning, leadership development and future-ready skills while fostering a culture built on accountability, curiosity, inclusion and continuous improvement.

I would also like to acknowledge the leadership transition that took place during the year. I am grateful for the strong foundation fostered by those who led HGS before me, and I am excited about the opportunity to build on that foundation together with our leadership team. Our priorities remain clear: simplify the business, strengthen execution, invest in future-ready capabilities and create sustainable value for all stakeholders.

**Looking Ahead**

I believe we are entering one of the most important phases in our industry's evolution. Organizations will continue to invest in AI-led productivity, intelligent operations and customer experience transformation. The focus will increasingly shift from adopting AI to operationalizing it at scale, with clear accountability, governance and measurable returns. That is the opportunity before HGS.

We are building a company that combines the trust and scale of an established organization with the energy, adaptability and ambition required to succeed in a rapidly changing world. Our strategy is clear, our capabilities are stronger and our teams are aligned around a common purpose: helping clients build more intelligent, resilient and customer-centric businesses.

Finally, I extend my sincere gratitude to our Chairman, Mr. Ashok P. Hinduja, and the Board for their vision and unwavering support. Thank you to our clients, employees, partners and shareholders for your continued trust and collaboration. We are excited about the opportunities ahead and confident in our ability to build a stronger, more agile and future-ready HGS.

Warm regards,

**Venkatesh Korla**

Global CEO, HGS

# Message from Vynsley's Desk

> "We are increasingly embedding intelligence across our operations to enhance network performance, improve customer experiences, and drive greater efficiency. Investments in the 3As - analytics, automation, and AI-enabled capabilities are helping us become more proactive and predictive."

FY2026 was a year of portfolio rebalancing and disciplined execution for the Digital Media business. We strengthened our broadband-led growth strategy, expanded our digital footprint, and made meaningful progress in bringing high-speed digital access to more communities through the power of partnerships and entrepreneurship.

India's digital journey is entering an exciting new phase. Digital infrastructure is becoming critical, underpinning how people learn, work, consume content, access services, and participate in the economy. Demand for higher broadband speeds continues to grow as streaming, gaming, connected devices, digital commerce, remote work, and AI-enabled applications become part of everyday life. At the same time, enterprises are investing in more resilient and intelligent network infrastructure to support their own transformation ambitions. These shifts are creating significant opportunities across broadband, enterprise connectivity, and digital services.

For **NXT**DIGITAL Media Group, this intersection is exactly where our strengths come together. Our combination of national scale, hyperlocal presence, trusted partnerships, and integrated service offerings allows us to serve customers where growth is happening fastest and where we can make the greatest difference. It positions us well to capture the emerging opportunities.

**Broadband: Powering India's Digital Future**

Broadband remains the most important growth engine in our portfolio. As digital adoption deepens across households and businesses, demand for reliable, high-speed connectivity is rising across India. During the year, we continued to strengthen our broadband footprint across Tier II, Tier III, semi-urban, and rural markets, where demand is accelerating. A defining strength of our business is our ability to combine digital capabilities with regional presence through our extensive network of franchisees and Digital Service Partners (DSPs). This allows us to remain agile, serve customers effectively, and create locally relevant solutions while extending our reach into underserved communities across the country – right from the Andamans to Arunachal Pradesh.

We are also seeing encouraging shifts in customer behavior. As households consume more digital content and increasingly rely on connected services, adoption of higher-bandwidth plans continued to grow, with significant improvement in the customer mix (speed package adoption) on a YoY basis. For instance, share of the >100 Mbps category grew from 10.7% to 15.0% on a YoY basis whilst the mid-level package offtake also improved from 36% to 39%. This is a key benchmark reflecting our upselling and packaging strategy, besides improved customer affordability and rising data consumption... and reinforces our belief that demand for high-speed broadband will only increase in the years ahead.

Alongside our consumer-facing business, CelerityX continued to strengthen its position in the enterprise connectivity market. Organizations across industries are increasingly investing in secure, resilient, and scalable digital infrastructure. This is creating growing demand for managed connectivity, cybersecurity solutions, SD-WAN capabilities, and mission-critical network services.

Leveraging our extensive infrastructure footprint and nationwide reach, CelerityX is well positioned to address these evolving requirements. Today, we are working with top companies across India, helping them solve complex network challenges, enhance business

# Message from Vynsley's Desk

resilience, and enable secure digital operations with confidence. As digitalization continues across sectors, we see significant opportunity for sustained growth in this business.

**Project GANGA: Connecting Communities, Creating Opportunity**

One of the most significant milestones of FY2026 was the launch of Project GANGA or "Government Assisted Network for Growth & Advancement" in Uttar Pradesh, a transformative initiative that embodies our broader vision for digital inclusion and community-led growth. The project is a state-wide digital inclusion and transformation initiative that aims to develop 8,000-10,000 entrepreneurs into Digital Service Providers, with 50% of them being women – who will connect over 2 million households with high-speed broadband over the next 2-3 years, and generate over 100,000 employment opportunities, supporting digital access and economic empowerment across the state. OneOTT Intertainment Limited (OIL), HGS's broadband vertical, signed the MoU in March 2026 with the State Transformation Commission of the Government of Uttar Pradesh, and rolled out the program in June.

What makes Project GANGA particularly meaningful is that it extends far beyond broadband deployment. It combines connectivity, entrepreneurship, skill development, and community empowerment into a unified model designed to deliver sustainable impact. By enabling local entrepreneurs to build and operate digital infrastructure within their own communities, the initiative creates economic opportunity while accelerating access to digital services. The impact has the potential to reach into education, healthcare, governance, financial inclusion, and local enterprise development, helping ensure that the benefits of digital transformation are shared more broadly across society.

**Digital Television: Managing the Core, Enabling Convergence**

While consumer viewing behavior continues to evolve, our Digital Television (DTV) business remains an important part of our integrated ecosystem and customer proposition. During FY2026, we remained focused on protecting value in the business through disciplined management of ARPUs, structured cost optimization initiatives, and operational efficiencies across the platform.

Importantly, our extensive DTV footprint remains a valuable platform for customer engagement and supports our broader strategy of bringing connectivity, content, and digital services together in a single ecosystem.

**Building a Converged Digital Ecosystem**

Consumers today are looking for simplicity, convenience, and value... and increasingly prefer providers that can bring together connectivity, content, and digital services within a single relationship.

Our strategy is therefore centered on convergence. Throughout the year, we strengthened our portfolio through broadband, digital television, IPTV, OTT services, and other digital offerings, creating a more comprehensive and seamless proposition for customers. This approach not only enhances customer experience but also strengthens long-term engagement and value creation.

**Innovation, Partnerships and Execution**

Our progress is being driven by a combination of technology, partnerships, and operational excellence. We are increasingly embedding intelligence across our operations to enhance network performance, improve customer experiences, and drive greater efficiency. Investments in the 3As - analytics, automation, and AI-enabled capabilities are helping us become more proactive and predictive in how we manage networks and serve customers.

Equally important is the dedication of our people and partners. Across our broadband, digital media, and enterprise businesses, our teams have demonstrated remarkable commitment and agility. Our franchisees, operators, and digital service partners remain an integral part of our success and a key differentiator in our ability to scale efficiently while staying closely connected to customer needs. I would also like to thank our millions of customers, shareholders, and the Hinduja family for their continued trust and support.
Future vision

Looking ahead, we will continue expanding our broadband footprint, scaling enterprise services through CelerityX, deepening convergence across our platforms, and advancing initiatives such as Project GANGA that combine commercial growth with meaningful social impact. We remain focused on building a business that is innovative, inclusive, customer-centric, and positioned for long-term value creation... and contribute meaningfully to India's digital future.

Yours sincerely,

**Vynsley Fernandes**
Whole-time Director of HGS
and CEO, **NXT**DIGITAL Media Business

# Management Team

**Venkatesh Korla**
Global CEO

**Mahesh Kumar Nutalapati**
Global CFO

**Anshuman Singh**
CEO – EMEA and
Head of GPS Organization

**Giridhar GV,**
CEO – APAC & Global
CHRO

**Natarajan Radhakrishnan**
CEO – Americas

**Daniel Henry**
Chief Marketing Officer

**Shilpa Sinha Harsh**
EVP & Head – Global
Corporate Communications,
CSR, DEI, and ESG

**Narendra Singh**
EVP & Company Secretary

**Dinesh Charak**
SVP and Head - Global Legal
and Compliance

**Raghavendra Chinhalli**
Chief Information Officer

# Management Team

**Vynsley Fernandes**
Whole-time Director, HGS and CEO,
**NXT**DIGITAL Media Group

**Rajiv Bhargava**
Chief Financial Officer,
**NXT**DIGITAL Media Group

**Ru Ediriwira**
Group Chief Technology Officer,
**NXT**DIGITAL Media Group

**Viresh Dhaibar**
Chief General Counsel,
**NXT**DIGITAL Media Group

**Vaishali Thakur**
Chief Human Resources Officer,
**NXT**DIGITAL Media Group

**Hemlata Sharma**
EVP & Chief Business Officer
Consumer Business,
**NXT**DIGITAL Media Group

**Jaydeep Sampat**
Chief Technology Officer,
**NXT**DIGITAL Media Group

**Satyaprakash Singh**
Chief Business Officer – Strategic Alliance
Partnerships, ONEOTT iNTERTAINMENT LIMITED

# Experience Intelligence: Turning Intelligence into Impact

Organizations today are under pressure to adapt faster than ever before. They need to modernize operations, respond to rising customer expectations, improve productivity, and identify new growth opportunities. While technology plays an important role in this journey, success ultimately depends on how effectively businesses connect people, processes, and systems to deliver meaningful outcomes.

At HGS, we see this challenge every day through the clients we serve. Enterprises recognize the need to transform, but they are looking for more than technology adoption. They are looking for a partner who can help improve performance, simplify complexity, and deliver results with confidence. This thinking sits at the heart of **Experience Intelligence**, the theme of this year's annual report.

HGS is advancing its position as a user-centric technology services company built for a market where organizations expect technology investments to deliver measurable value in real operating environments. Through Experience Intelligence, we bring together applied AI, automation, data, technology expertise, and human judgment to improve the interactions, platforms, and operations that shape business performance. Our objective is straightforward: to help clients make faster decisions, create more personalized experiences, improve efficiency, and achieve measurable business outcomes. Simply put, we help organizations build smarter, future-ready businesses and provide the certainty to get there.

What makes this approach possible is the depth of experience behind it. For more than 50 years, HGS has helped organizations design and deliver customer journeys that connect brands with customers. For over 25 years, we have integrated technologies and systems to create seamless, connected experiences. For more than two decades, we have helped clients turn data into better decisions. And for over 10 years, we have been building automation, machine learning, and AI-driven solutions that improve productivity, optimize operations, and deliver tangible business value. This is not new territory for HGS. It is a natural evolution of capabilities we have built over decades and continue to apply across industries and markets.

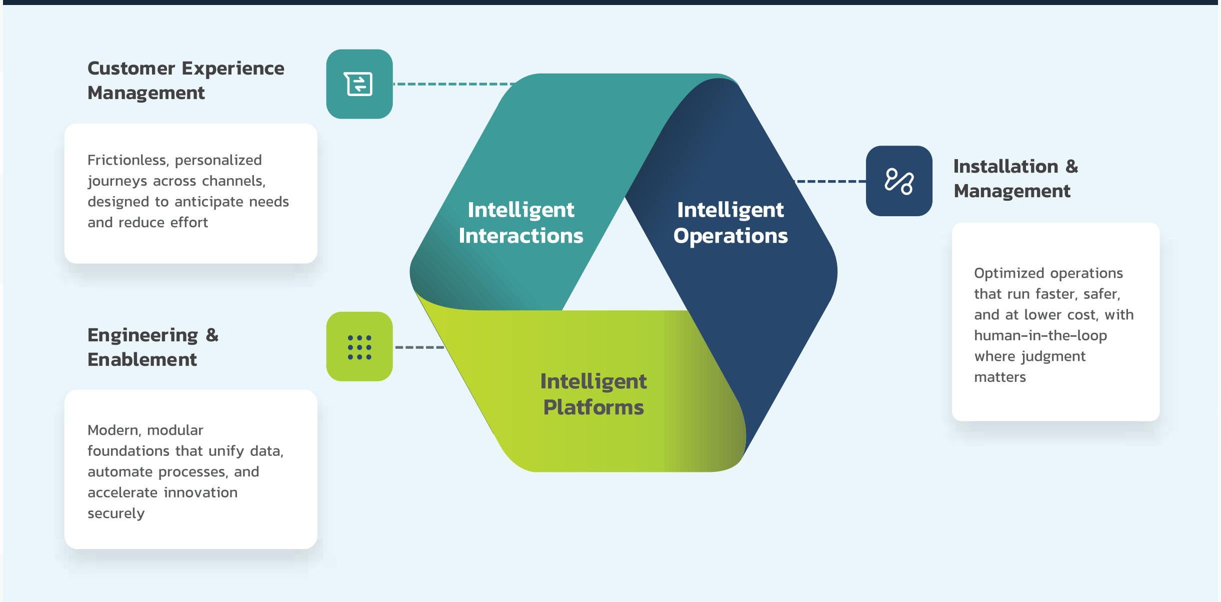
Experience Intelligence at HGS comes to life through three connected pillars:

- **Intelligent Interactions** help organizations create seamless, personalized, and consistent experiences across every channel.
- **Intelligent Operations** embed intelligence directly into the workflows and processes that run businesses every day, combining automation with governance, transparency, and human oversight needed for responsible scale.
- **Intelligent Platforms** connect data, applications, and technology ecosystems to reduce complexity and create a stronger foundation for growth and innovation.

# Experience Intelligence: Turning Intelligence into Impact

Together, these capabilities enable organizations to improve performance while delivering simpler, more reliable experiences for customers and employees alike.

## Delivering Intelligent Experiences with Certainty




Supporting this approach is **Realized AI**, HGS's disciplined methodology for translating AI ambition into measurable business value. By defining outcomes upfront and demonstrating proof of value before the engagements scale, Realized AI brings accountability, clarity, and confidence to transformation initiatives. Through our 90-day proof-of-value commitment, clients can focus on achieving results rather than navigating uncertainty. This combination of operational depth, technology capability, and outcome-led delivery enables us to build deeper client relationships and help organizations move from experimentation to impact.

Ultimately, Experience Intelligence reflects our belief that the future will belong to organizations that successfully combine technology with human expertise. As enterprises seek practical and scalable ways to improve performance, HGS is helping them embed intelligence where work happens, simplify complexity, and create value that lasts.

**At HGS, intelligence is not just something you add to the business. It is something people experience every day through better decisions, stronger performance, and outcomes that matter.**

# Experience Intelligence: Turning Intelligence into Impact

## Enabling scalable, AI driven patient engagement for medical device sales

Bringing all capabilities together through integrated AI assistants and a single intelligent experiences partner

Healthcare | AI & GenAI | Customer Service

**ENGAGEMENT**
**50%**
more patient engagement

**REVENUE**
**35% - 45%**
increased potential sales

**SPEED**
**<5 seconds**
to respond to patient queries

# Experience Intelligence: Turning Intelligence into Impact

## Accelerating fraud monitoring for a leading U.S. bank through secure, explainable AI

Boosting analyst productivity by 100x while ensuring bank - grade cyber protection

Financial Institution | Financial Services | AI, Cybersecurity

**OPTIMIZATION**
**50%**
faster overall investigation turnaround

**SPEED**
**<200 sec**
processing time per case

**PERFORMANCE**
**100X**
increase in analyst productivity

# Analyst Recognitions

## ISG

- For 3rd consecutive year, recognized as "Leader" in Digital Operations, Intelligent Agent Experience, Intelligent CX (AI & Analytics) in ISG Contact Centre Customer Experience Services Provider Lens™ Study – Global.
- EMEA debut - Recognized as Leader in Intelligent Agent Experience, Intelligent CX (AI & Analytics) in ISG Contact Centre Customer Experience Services Provider Lens™ Study – EMEA
- "The Booming 15 - Service & Technology Provider Standouts" in the ISG Index Managed Services and As-a service Market – Americas for 2Q 2025, 3Q 2025, 4Q 2025, 1Q 2026.

## Everest Group

- Recognized as "Aspirant" In Everest Group Financial Crime and Compliance (FCC) Operations Services PEAK Matrix® Assessment 2025.
- Ranked as "Major Contender" In the Everest Group CPG Services PEAK Matrix® 2025
- Ranked as "Major Contender" in the Everest Group CXM Services PEAK Matrix® 2025.
- Major Contender" in the Everest Group Digital Transformation Services for Mid-market Enterprises PEAK Matrix® Assessment 2025.
- "Major Contender" in the Everest Group Banking Operations - Services PEAK Matrix® Assessment 2025
- Ranked as "Aspirant" in the Everest Group Marketing Services PEAK Matrix® Assessment 2025.
- Featured as a strategic impact sourcing provider in Everest Group Impact Sourcing State of the Market Report 2025, among 18 global providers.

## HFS

- **Recognized as "Enterprise Innovators" In the HFS Horizons**: Digital Marketing and Sales Services, 2025.
- **HFS Horizons**: Intelligent Retail and CPG Ecosystems, 2025 report- HGS has been ranked in Horizon 1 category as a "Disruptor" in the report, emphasizing HGS's commitment to driving digital efficiency through technology-led transformation, focusing on cost reduction, speed, and operational excellence across the value chain.

## NelsonHall

- HGS is positioned as 'Leader' within the NelsonHall Conversational Commerce NEAT 2025 – in all 3 market segments that includes the Overall, Retention Capability and the Sales Capability segments.
- "Leader" in the NelsonHall GenAI-Enabled Operational Transformation 2025 NEAT for "Developing Custom GenAI Solutions".

## IAOP

The Association with Collaboration at its Core.

**HGS recognized for the 16th year in a row in the IAOP 2026 Global Outsourcing 100®list (Leader Judging Size category)**. This demonstrates our commitment to excellence and continuous improvement. We received star recognitions for the below categories

- Customer References
- Awards & Certifications
- Programs for Innovation
- Programs for Social Impact

# Industry Recognitions

At HGS, every achievement reflects our unwavering commitment to delivering value, fostering innovation, and driving excellence. Whether through transformative AI-led intelligent solutions that help our clients succeed or the dedication and initiative demonstrated by our employees every day, we continually strive to make a meaningful impact. This commitment has earned HGS recognition from leading industry bodies and organizations worldwide. In FY2026, HGS received numerous awards and accolades across customer experience, technology, innovation, workplace culture, and business excellence. Some of these recognitions are highlighted below.

Won the **'Behavioral AI Solution of the Year'** award at **AI Breakthrough Awards 2025** for a psychometric profiling solution to detect early signs of fraud.

**HGS Agent X** was recognized with the **'Most Innovative Practice'** in the category of Excellence in **Best Industry AI Application at the 2nd CII AI Awards 2025.**

**HGS Da Vinci** solution was named the **Winner in the category 'AI in Customer Service – Best Outcomes, Predicting Problems'** at the **Newsweek Asia AI Impact Awards for APAC and EMEA**

Won Gold at the Asia Pacific Stevie Awards 2026 in the Innovation in Cybersecurity & Privacy category for HGS AMLens.

HGS Data and Analytics team was recognized amongst the **'Top 50 Data and Analytics Teams'** at the **OnCon Icon Awards 2025.**

HGS **AMLens** was named Innovative **Product Winner at the 2026 BIG Innovation Awards.**

Won two awards at the Brandon Hall Group HCM Excellence Awards 2025 in the categories of –

- **'Best Employee Engagement Program'** for Integrated Water Management for Sustainable Development in Ajmer, Rajasthan, India
- **'Best Social Impact Program' for HGS 'Work to Give'** employee volunteering program

# What Our Clients Say About Us

Delivering state-of-the-art support to our clients remains at the heart of what we do at HGS. Through AI-led intelligent customer experience and enterprise transformation solutions, HGS garnered clients' appreciation across industries and geographies. Teams have been acknowledged for their commitment, operational excellence, innovation, and contribution to helping our clients achieve key business objectives. Presented below is a selection of client testimonials received during FY2026.

## NETHERLANDS-BASED HEALTH-TECH COMPANY

HGS embodies a "Team up to Win and Customer First" attitude, which was reflected in the team's deep domain expertise, proactive approach, flexibility, and willingness to adapt to evolving business needs. HGS consistently demonstrates agility in responding to urgent requirements and navigating a fast-changing technology landscape, while fostering high-performing teams that deliver reliable, consistent outcomes. This combination of operational excellence, responsiveness, and customer focus makes HGS a trusted partner.

**APAC Regional Contact Center Lead**
Delivery: Philippines

## US-BASED RETAIL COMPANY

HGS has been an outstanding partner. The team consistently shows up as true thought partners - transparent, collaborative, and genuinely open to both sharing and receiving feedback. The team has been proactive and honest with their communication with a clear commitment to continuous improvement and shared success. HGS's investment in delivering strong outcomes is evident.

**Senior Manager**
Delivery: Philippines

## US-based Retail Company

HGS is flexible and responds quickly to requests and changes. The team consistently delivers high-quality service and supports client needs effectively. Their reliability, responsiveness, and commitment to getting things done is commendable.

**VP, Customer Support**
Delivery: Philippines, Columbia, India

## CANADA-BASED TRANSPORTATION COMPANY

HGS has been responsive and adaptable to requests and changes, while bringing a high caliber of staff and a fast-moving approach to execution. The team's business acumen and knowledge coupled with willingness to learn about our business has been commendable.

**Vice President, Transformation**
Delivery: Canada

## US-BASED CPG&R COMPANY

The HGS team has delivered the most consistent performance of all our partners. They continue to deliver the best operational support and readiness and are very responsible and resilient to changing business conditions. They understand the KPIs that are important to our business and our customers and ensure the outcomes are delivered. They also seem to have a strong grasp of the ever-evolving technology landscape and are pivoting and preparing to support their partners in that capacity.

**Global Manager, Vendor Management /Global Contact Center Ops**
Delivery: Philippines

## US-BASED TMT COMPANY

Over the course of our engagement, we have found the HGS team to be easy to work with and consistently focused on achieving positive outcomes. Their high-performing teams deliver strong results, demonstrate accountability, and collaborate effectively to meet business objectives. Their commitment to maintaining a high standard of performance makes them a trusted and reliable partner.

**VP, Customer Care**
Delivery: US, Canada, Columbia, Jamaica

# What Our Clients Say About Us

### US-BASED NON-PROFIT ORGANIZATION

In all the years that I have worked with HGS, they have proven to be a reliable and trustworthy partner. Their technical expertise is impressive and rightly sized for our needs. The managers, technical architects, and developers are the best I have worked with. I appreciate the professional work ethic, culture, and talent. Having worked with HGS for so long, it has grown alongside our institution and has strengthened our partnership. This has enabled us to change technologies and explore new ways of doing things.

**Marketing Manager, Web Technical Services**
Delivery: US

### US-BASED RETAIL COMPANY

Over the last year, the HGS team has been fantastic to work with, consistently demonstrating professionalism, commitment, and a strong focus on delivering results. The team has provided reliable support, responded effectively to evolving business needs, and contributed positively to the overall success of our engagement. Based on our experience, I would absolutely recommend HGS for the quality of service, partnership, and value they bring.

**Senior Mobile Marketing Manager**
Delivery: USA

### US-BASED MEAT PRODUCTS MANUFACTURER

HGS has fantastic resource quality, strong sense of ownership, technical expertise, and ability to provide valuable thought leadership. Our nature of work demands adaptability, and HGS allows us to course correct, while aligning different resources should there be a gap in the project.

**Director, Analytics**
Delivery: USA

### GERMANY-BASED BFSI COMPANY

My interaction with the team has been great, and they consistently demonstrate a high level of commitment in everything they do. I appreciate their reliability, dedication, and willingness to go the extra mile to support our business needs.

**Vice President, HR**
Delivery: India

### US-BASED BEVERAGE COMPANY

HGS' clear communication and collaborative approach helped in building strong and effective working relationships. They bring qualified candidates, demonstrating enhanced thought leadership and providing valuable insights, which supported our business goals and drove continuous improvement.

**Senior Director, Enterprise IT**
Delivery: USA

### US-BASED TELECOMMUNICATIONS COMPANY

HGS has been a trusted partner that delivers measurable business value and enhances customer experience through a responsive, flexible, and collaborative approach. HGS integrates seamlessly with client operations, proactively supports business objectives, and consistently demonstrates a strong commitment to operational excellence.

**Senior Vice President – Customer Care & Service Assurance** | Delivery: India

### INDIA-BASED FINANCIAL SERVICES COMPANY

I appreciate the team's proactive support and willingness to help, even at short notice, to ensure tasks are completed successfully. Their systematic, process-driven approach promotes consistency, reliability, and operational excellence. The team also brings deep expertise in payroll and compliance processes, setting high standards of quality and earning a strong reputation for delivering trusted support in these critical areas.

**Senior Vice President, HR**
Delivery: India

# What Our Clients Say About Us

### US-BASED WELLNESS COMPANY

The team does a great job to make sure we are taken care of and supported. The regular weekly meetings have helped us stay focused on the issues we need to stay aligned on. Needless to say, the team does a great job!

**Senior Manager of Global Support Operations** | Delivery: USA

### AUSTRALIA-BASED TECHNOLOGY COMPANY

All members of the HGS team have demonstrated strong capabilities and a deep commitment to customer experience as we continue to build our inaugural team in the region over the past three months. They have been an absolute pleasure to work with.

**Chief Operating Officer**
Delivery: Philippines

### UK-BASED BFSI COMPANY

HGS has partnered on a critical customer account for several years, building a strong and collaborative relationship. Throughout the engagement, HGS consistently demonstrated commitment, responsiveness, and operational support while being a dependable partner that contributes to the success of the account through a partnership-driven approach.

**Supply Chain Business Partner**
Delivery: UK

### US-BASED CP & R COMPANY

HGS is able to quickly adapt to our changing business needs; their ability to flex staffing whether by finding additional resources or flowing talent between areas to help us meet our business outcomes is impressive. We recently completed a digital project with HGS and the individuals working on the project were top-notch. They were knowledgeable, efficient and dove in quickly to understand our business.

**Business Initiatives Enablement Unit Lead** | Delivery: USA

### US-BASED TELECOMMUNICATIONS COMPANY

HGS has been a trusted partner that delivers measurable business value and enhances customer experience through a responsive, flexible, and collaborative approach. HGS integrates seamlessly with client operations, proactively supports in achieving our business objectives, while consistently demonstrating a strong commitment to operational excellence.

**Senior Vice President - Customer Care & Service Assurance** | Delivery: India

### INDIA-BASED ASSET MANAGEMENT COMPANY

The team has consistently demonstrated professionalism, domain expertise, and responsiveness, while delivering quality outcomes. They maintain a strong partnership mindset and a clear understanding of our business needs.

**Senior Vice President, HR**
Delivery: India

# Key Happenings at NXTDIGITAL Media Business

The National **ONE Broadband Summit 2025** brought together teams nationwide to align, innovate, and accelerate as ONE towards a connected nation. **(7th to 10th May 2025)**


Uttar Pradesh Government signs MoU with Hinduja Global Solutions' Broadband Vertical to skill one lakh youth (17th March 2026).

Uttar Pradesh's STC signs MoU with Hinduja Global Solutions' broadband vertical under **Project GANGA** to connect 2 million Homes **(9th March 2026)**

Content distribution platform NXTDIGITAL won the 'Most Innovative Technology Provider' whilst the broadband vertical ONEOTT iNTERTAINMENT Ltd. was named 'Best ISP Delivering in Rural India' (14th August 2025).




At **SCAT India 2025, NXTDIGITAL & ONE Broadband** showcased their latest innovations at the exhibition booth, alongside the launch of **ONEIPTV. (14th to 16th October 2025)**


At the **VBBS Tech Summit 2026,** Mr.Vynsley Fernandes – Whole-time Director, **HGS** led an exclusive fireside chat on "Technology as an Enabler: The 3 As – AI, Analytics & Automation." **(27th February 2026)**

# Our Community Initiatives

HGS is committed to creating a meaningful and lasting impact in the communities where we operate. Our sustainability initiatives span key areas such as education, skill development for youth and Persons with Disabilities (PwDs), and water conservation.

# Our Community Initiatives

At HGS, Corporate Social Responsibility is deeply integrated into our purpose-driven growth strategy. In FY2026, HGS continued to invest in projects across Education, Skilling & Inclusion, and Water & Environment, through corporate partnerships and employee volunteering.




## Education

In its third year, the Road to School initiative in Gudalur (Nilgiris), delivered through the Saturday Art Class program with Hinduja Foundation, positively impacted 3,455 children across 36 schools, with a continued focus on Social-Emotional Learning, visual arts, and teacher training for classroom integration of art education. The Mid-Day Meal Program, sustained in partnership with The Akshaya Patra Foundation, continued to feed ~400 children daily in Bengaluru, Karnataka, with over 1,000 employee volunteers engaging through TAPF's virtual volunteering activities in FY2026.

## Skilling & Inclusion

Building on strong prior-year outcomes, HGS entered its third year of the Skills for Her initiative in Hyderabad, delivered with NASSCOM Foundation, training approximately 25 women in tech in digital skills and workplace readiness.

## Water & Environment

HGS continued to prioritize water security and environmental restoration in FY2026. The Sustainable Water Management Project in Phalodi, delivered with Hinduja Foundation and Ambuja Cement Foundation, entered its third year, adding 42.85 lakh litres of water storage capacity through rainwater harvesting structures (RRWHS) and farm ponds, sustaining outcomes and strengthening livelihoods for 3,619 community members.

Extending the earlier spring shed revival work in the Himalayan foothills, HGS partnered with Chirag on a new Afforestation Project in Bhimtal, Nainital district, Uttarakhand, benefiting a population of 2.10 lakh. The initiative involves planting 10,000 native saplings alongside recharge structures, expected to harvest 19.2 lakh litres of rainwater annually.

## Employee Volunteering

Volunteering at HGS is more than an initiative, it reflects our people's purpose. Our global Work to Give program continued to build momentum in FY2026, recording 4,012 volunteering instances, surpassing our target of engaging 20% of the global HGS workforce, with over 5,162 hours of service contributed across 6 geographies and 52+ events.

# Our Community Initiatives

## Key highlights include:

- Menstrual kit assembly, STEM Periscope assembly, and a financial literacy session for women at the TAPF kitchen (India)
- Beach clean-up activity at Vizag for World Water Day (India)
- Mid-Day Meal service at Bandepalya GHPS and continued volunteering at the TAPF kitchen, Bengaluru (India)
- Book donation drive at Mahim Government School, Mumbai; sustainable pen-making in Bengaluru; Toto bag painting in Hyderabad (India)
- Women's Day celebration with Kids Mini Hands and Feet Nursery, and World Girls' Day activities (Jamaica)
- Christmas celebrations and donation drives at Mini Hands and Feet Nursery/Pre-K, and a community plantation drive (Jamaica)
- Pier's Pet Camp supporting abandoned pets, and Christmas celebration at Meritxell Children's World Foundation (Philippines)
- A volunteer mission to remote Dumagat communities in the Sierra Madre mountains, and donation drives across Cebu and Manila (Philippines)
- Christmas donations of essentials to elders at Asilo Granja San José (Colombia)
- Volunteering at the Baptist Community Center in Chicago (USA)
- HGS was recognized with two Brandon Hall Awards and the APAC Stevie Award for its CSR and volunteering initiatives

**Employee volunteering, FY2026**







*Through every act of service, HGS reaffirms its belief that empowered employees can help build empowered communities, one meaningful contribution at a time.*

# Engaging Our Employees

At HGS, employee engagement is a way of life. Through fun activities, learning opportunities, and team initiatives, our people stay motivated, connected, and inspired, creating a positive and energetic workplace. Here's a snapshot of the memorable moments our teams enjoyed over the past year.
















# Events At NXTDIGITAL Media Business

Diwali Celebrations at INCENTRE Office, Mumbai (October'25)

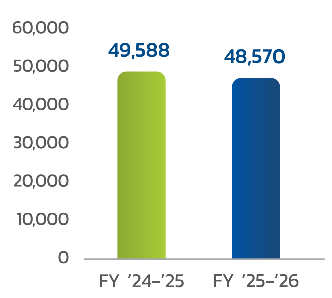
Christmas Glass Painting Activity at INCENTRE Office, Mumbai (December'25).

Celebrating Holi with colors.

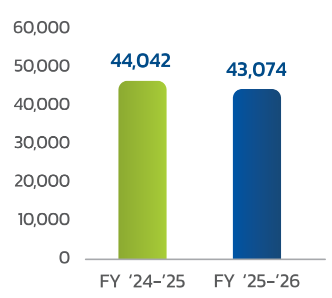
# Financial & General Highlights

FY '24-'25 FY '25-'26

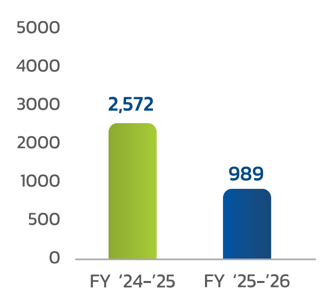
### Total Income
(₹ million)



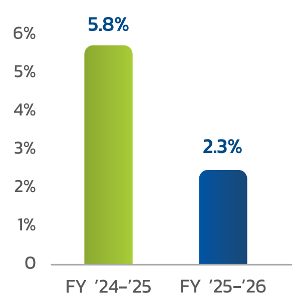

### Operating Revenue
(₹ million)



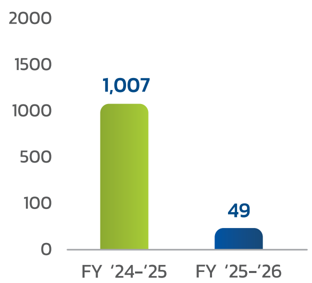

### Operating EBITDA
(₹ million)



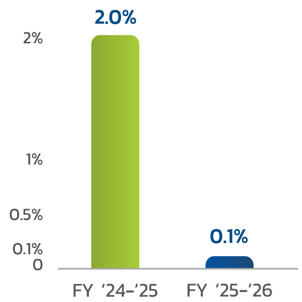

### Operating EBITDA %



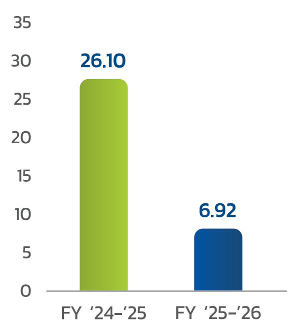

### PAT*
(₹ million)



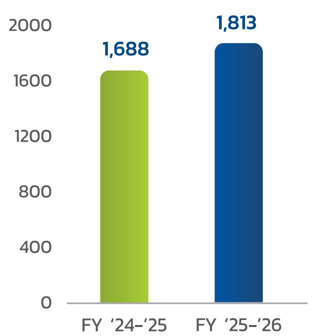

### PAT*/Total Income




### Basic EPS*
(in ₹)



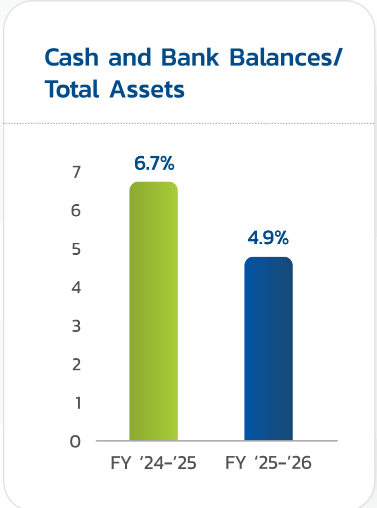

### Book value per share
(in ₹)

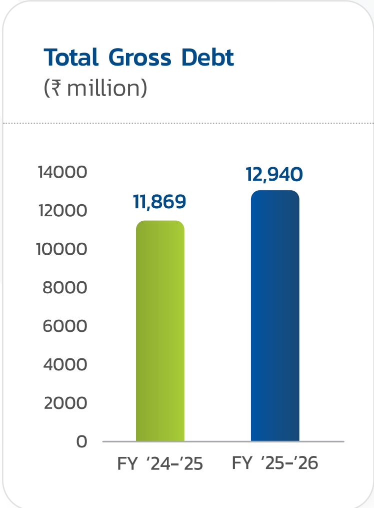


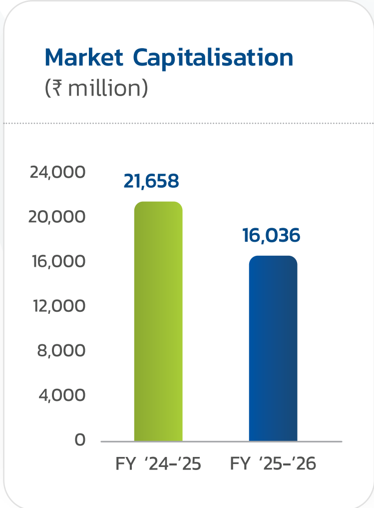

Note: *Including discontinued operations

# Financial & General Highlights

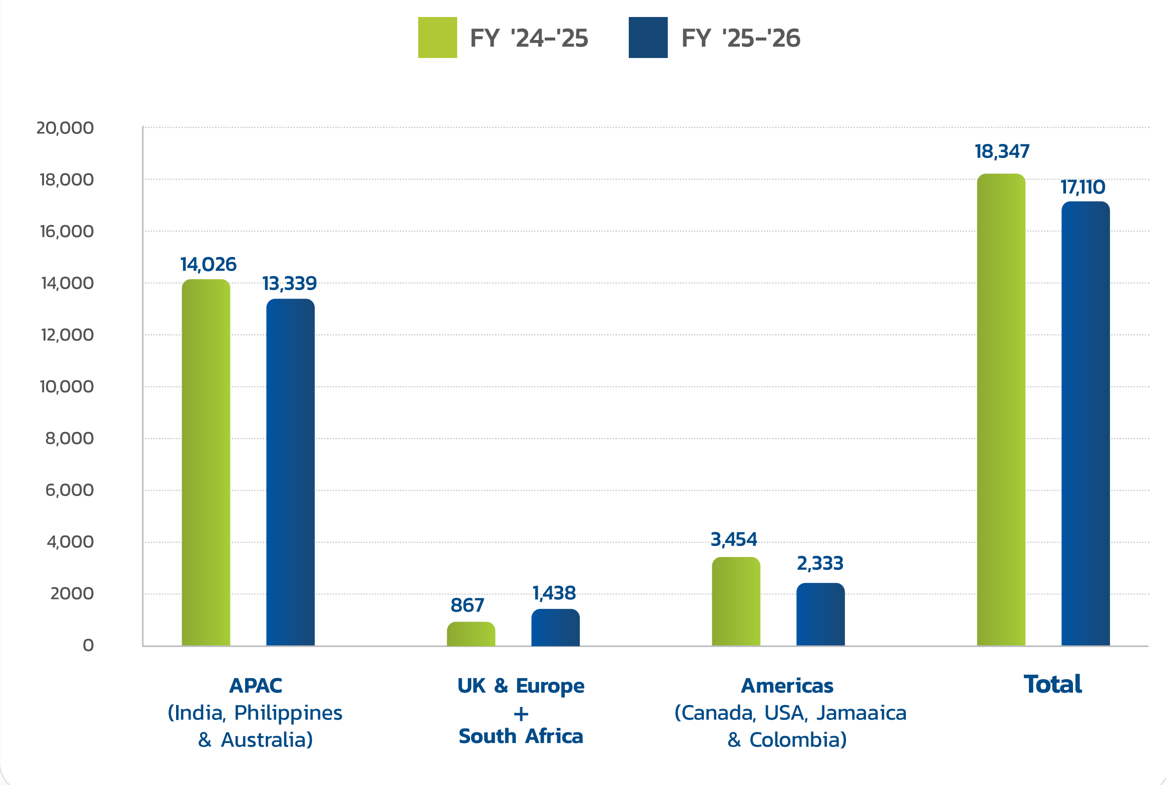
FY '24-'25 | FY '25-'26



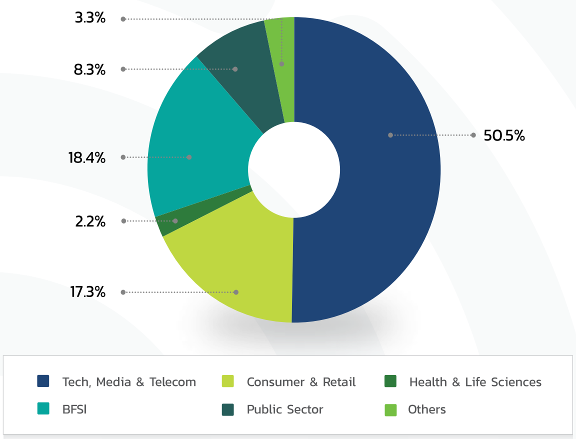

## Headcount - by Region



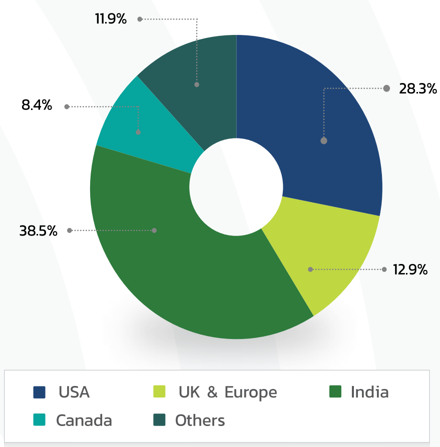
# Financial & General Highlights

## FY '25-'26'

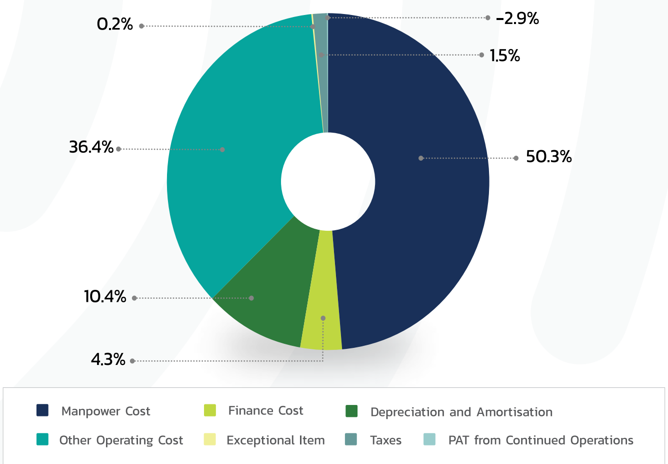
### Revenue Split - by Vertical



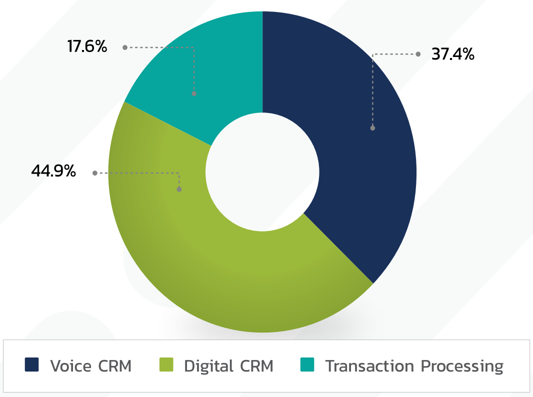

### Revenue Split - by Origination



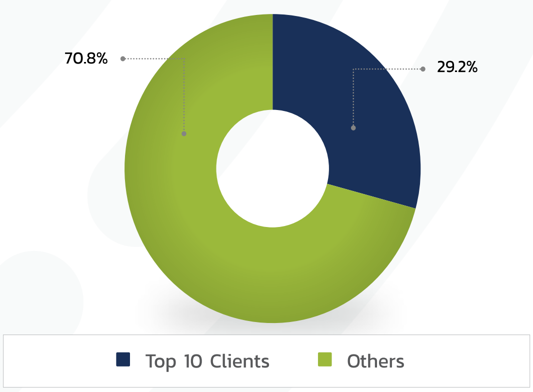

### Income & Expense Snapshot



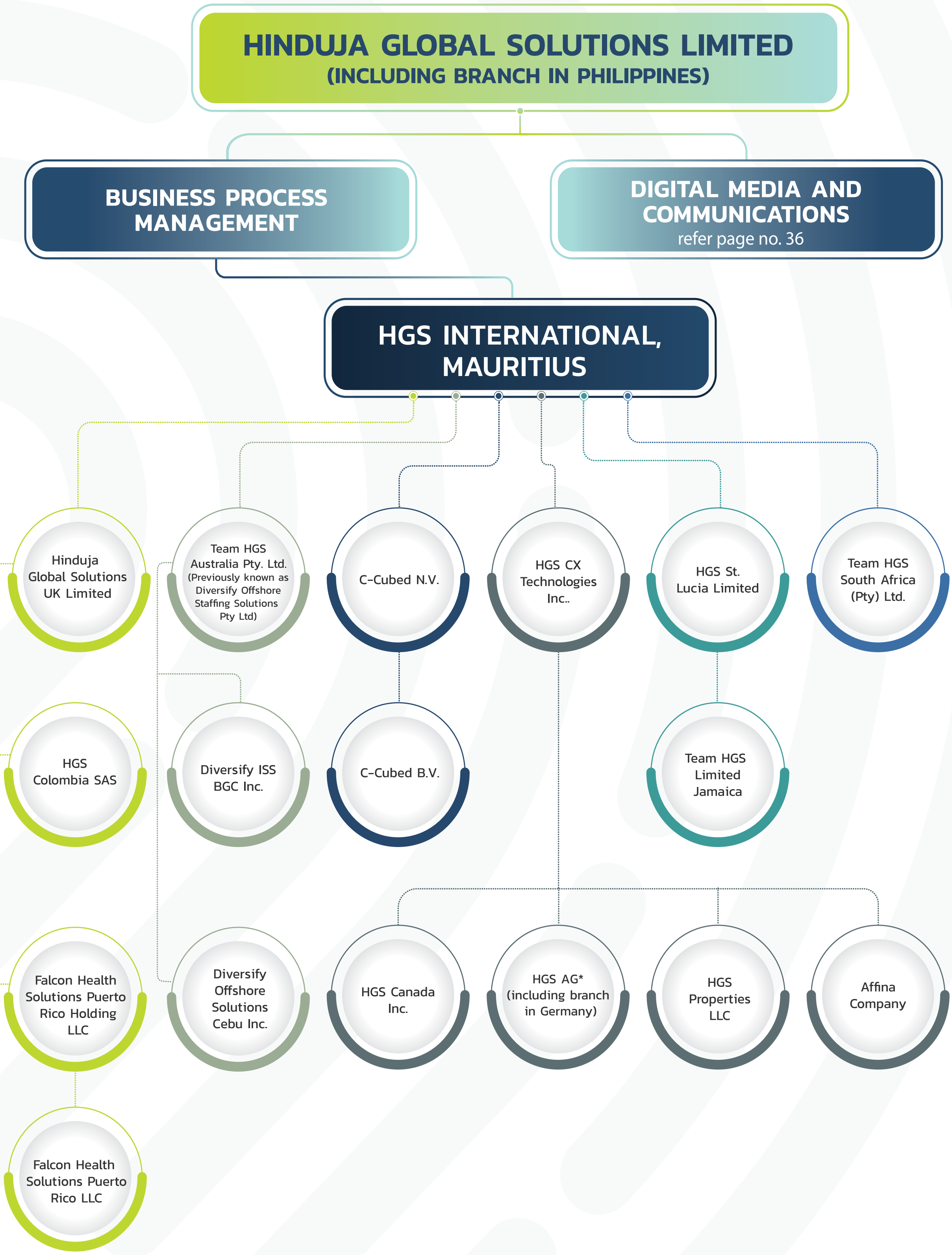

### Channel Mix - BPM Business




### Client Concentration

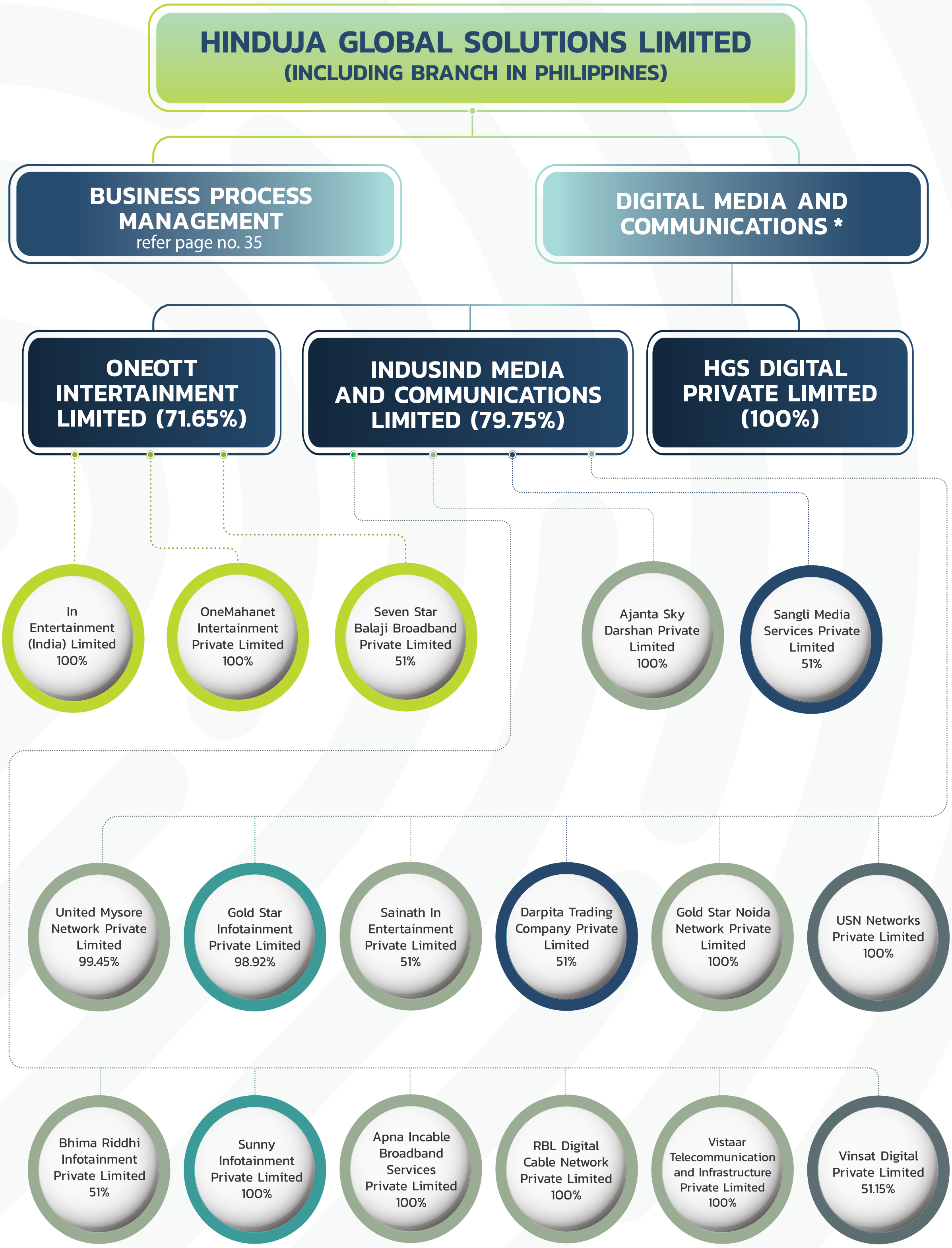


# Holding Structure




Note:
HGS Mena FZ LLC, a wholly owned step down subsidiary was liquidated on July 23, 2025.
*Formerly known as Teklink International AG.

# Holding structure




Note: All Companies incorporated in India

* The Group incorporated a wholly owned subsidiary - HGS Digital Private Limited on April 01, 2025.

# General Information

## HINDUJA GLOBAL SOLUTIONS LIMITED

### Board of Directors

Mr. Ashok P. Hinduja, Chairman
Ms. Bhumika Batra, Independent Director
Dr. Ganesh Natarajan, Independent Director
Mr. Pradeep Udhas, Independent Director
Mr. Munesh Khanna, Independent Director
Mr. Amit Saharia, Non-Executive Director
(w.e.f. September 25, 2025)
Mr. Vynsley Fernandes, Whole-time Director

### Audit Committee

Mr. Pradeep Udhas, Chairman
Ms. Bhumika Batra
Dr. Ganesh Natarajan
Mr. Amit Saharia

### Stakeholders Relationship and Share Allotment Committee

Ms. Bhumika Batra, Chairperson
Dr. Ganesh Natarajan
Mr. Amit Saharia

### Nomination and Remuneration Committee

Mr. Pradeep Udhas, Chairman
Ms. Bhumika Batra
Mr. Amit Saharia

### Risk Management & ESG Committee

Ms. Bhumika Batra, Chairperson
Mr. Pradeep Udhas
Mr. Amit Saharia

### Corporate Social Responsibility Committee

Mr. Munesh Khanna, Chairman
Ms. Bhumika Batra
Mr. Amit Saharia

### Key Managerial Personnel

Mr. Venkatesh Korla, Global CEO
Mr. Vynsley Fernandes, Whole-time Director
Mr. Mahesh Kumar Nutalapati, Global CFO
Mr. Narendra Singh, Executive Vice President and Company Secretary

### Bankers

- Axis Bank Limited
- Bank of America
- Bandhan Bank
- Barclays Bank PLC
- BBVA Colombia
- Canadian Imperial Bankof Commerce
- Canara Bank
- China Trust Commercial Bank Corporation
- Citi Bank N.A
- East West Banking Corporation
- Fifth Third Bank
- First National Bank
- JP Morgan Chase Bank N.A
- HDFC Bank Limited
- ICICI Bank Limited
- IndusInd Bank Limited
- Metropolitan Bank & Trust Co
- National Commercial Bank Jamaica Limited
- NatWest (National Westminster Bank)
- PROVEN Bank (Saint Lucia) Limited
- S. P. Hinduja Banque Privee SA
- SBM Bank (Mauritius) LTD
- Shinhan Bank
- Standard Chartered Bank
- State Bank of India
- UBS (Union Bank of Switzerland)
- Union Bank of the Philippines
- Westpac Banking Corporation
- Yes Bank Limited

### Auditors

M/s. Haribhakti & Co. LLP, Statutory Auditors
Chartered Accountants

### Internal Audit & Systems

M/s Ernst & Young LLP.

### Registered Office

Tower C (1st Floor), Plot C-21, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400 051
Tel: +91 22 61360407
Website: www.hgs.com
CIN: L92199MH1995PLC084610

### Registrar & Share Transfer Agent

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited),
Selenium Building, Tower-B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad - 500032
Telangana, India.
Toll Free No.: 1-800-309-4001
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

# CONSOLIDATED BALANCE SHEET

**(All amounts are in USD 000's)**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| a) Property, plant and equipment | 41,695.65 | 45,391.82 |
| b) Right to use asset | 102,654.52 | 119,281.25 |
| c) Capital work-in-progress | 1,667.65 | 1,027.72 |
| d) Investment Property | 2,295.16 | 2,579.84 |
| e) Other intangible assets | 45,422.83 | 58,291.01 |
| f) Goodwill | 116,390.50 | 116,517.64 |
| g) Intangible assets under development | 296.18 | - |
| h) Financial Assets | | |
| (i) Investments | 10,991.59 | 25,819.46 |
| (ii) Loans | 159.81 | 175.58 |
| (iii) Other financial assets | 9,476.61 | 9,298.66 |
| i) Deferred tax assets (net) | 4,522.56 | 11,985.01 |
| j) Income tax assets (net) | 37,804.15 | 38,442.40 |
| k) Other non-current assets | 5,247.03 | 4,511.21 |
| **Total non-current assets** | **378,624.24** | **433,321.60** |
| **Current assets** | | |
| a) Inventories | 3,285.65 | 3,034.00 |
| b) Financial Assets | | |
| (i) Investments | 430,461.73 | 400,625.59 |
| (ii) Trade receivables | 92,882.48 | 89,484.35 |
| (iii) Cash and cash equivalents | 60,614.07 | 87,987.25 |
| (iv) Bank balances other than (iii) above | 12,902.89 | 12,201.56 |
| (v) Loans | 200,369.10 | 225,866.59 |
| (vi) Other financial assets | 14,402.95 | 20,601.74 |
| c) Other Current assets | 38,431.93 | 34,593.72 |
| **Total current assets** | **853,350.80** | **874,394.80** |
| **Total assets** | **1,231,975.04** | **1,307,716.40** |
| **EQUITY AND LIABILITIES** | | |
| **Equity** | | |
| a) Equity share capital | 4,956.18 | 5,445.29 |
| b) Other equity | 881,072.30 | 896,809.97 |
| Equity attributable to the equity holders of the company | 886,028.48 | 902,255.26 |
| c) Non-controlling interest | 12,742.02 | 17,175.12 |
| **Total Equity** | **898,770.50** | **919,430.38** |
| **Liabilities** | | |
| **Non-current liabilities** | | |
| a) Financial Liabilities | | |
| (i) Borrowings | 24,260.97 | 38,636.71 |
| (ii) Lease Liability | 38,359.22 | 48,892.86 |
| (iii) Other financial liabilities | 2,268.21 | 579.41 |
| b) Provisions | 7,213.73 | 25,290.38 |
| c) Contract liabilities | 34.09 | 29.26 |
| d) Deferred tax liabilities (net) | 5,584.75 | 2,588.03 |
| e) Other non-current liabilities | 2.13 | - |
| **Total non-current liabilities** | **77,723.10** | **116,016.65** |
| **Current liabilities** | | |
| a) Financial Liabilities | | |
| (i) Borrowings | 113,602.10 | 100,292.98 |
| (ii) Lease Liability | 33,436.07 | 39,630.49 |
| (iii) Trade payables | 37,420.62 | 59,590.29 |
| (iv) Other financial liabilities | 27,509.33 | 39,875.13 |
| b) Provisions | 4,879.47 | 4,313.39 |
| c) Contract liabilities | 3,944.06 | 5,723.87 |
| d) Current Tax Liabilities (Net) | 7,654.80 | 6,935.36 |
| e) Other current liabilities | 27,034.99 | 15,907.86 |
| **Total current liabilities** | **255,481.44** | **272,269.36** |
| **Total liabilities** | **333,204.54** | **388,286.02** |
| **Total equity and liabilities** | **1,231,975.04** | **1,307,716.40** |

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

**(All amounts are in USD 000's)**

| | | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| | **CONTINUING OPERATIONS** | | |
| I | Revenue from operations | 485,339.25 | 520,578.19 |
| II | Other income | 61,933.87 | 65,551.96 |
| **III** | **Total Income(I+II)** | **547,273.12** | **586,130.15** |
| **IV** | **Expenses** | | |
| | a) Purchase of stock-in-trade | 14,907.13 | 8,279.98 |
| | b) Changes in inventories of stock-in-trade | (554.37) | (1,096.90) |
| | c) Employee benefits expenses | 275,096.76 | 292,979.93 |
| | d) Finance costs | 23,302.67 | 27,084.56 |
| | e) Depreciation and amortization expenses | 56,878.07 | 61,796.63 |
| | f) Other expenses | 184,743.58 | 190,012.76 |
| | **Total expenses** | **554,373.84** | **579,056.96** |
| **V** | **Profit before exceptional items and tax** | **(7,100.72)** | **7,073.19** |
| **VI** | Exceptional items | 1,046.77 | - |
| **VII** | **Profit/(Loss) before tax** | **(8,147.49)** | **7,073.19** |
| **VIII** | **Tax expense** | | |
| | a) Current tax | 6,003.41 | 7,002.22 |
| | b) Deferred tax | 3,200.02 | 13,976.08 |
| | c) Tax relating to prior years | (1,229.30) | 21.28 |
| | **Total tax expense** | **7,974.13** | **20,999.58** |
| **IX** | **Profit/ (Loss) for the year from continuing operations (VII-VIII)** | **(16,121.62)** | **(13,926.39)** |
| | **Discontinued Operations** | | |
| | (a) Profit before tax from discontinued operations | 16,678.40 | 25,831.07 |
| | (b) Tax expense of discontinued operations | - | - |
| **X** | **Profit after tax from discontinued operations [(a)-(b)]** | **16,678.40** | **25,831.07** |
| **XI** | **Profit for the period** | **556.78** | **11,904.68** |
| **XII** | **Other comprehensive income** | | |
| | **A. Items that will not be reclassified to statement of profit and loss** | | |
| | a) Remeasurements of defined benefit plans | (502.54) | (575.64) |
| | b) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income | 910.43 | (799.04) |
| | c) Revaluation of Intangible Rights | 98.03 | - |
| | **Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)** | **505.92** | **(1,374.68)** |
| | **B. Items that will be reclassified to profit or loss** | | |
| | a) Effective Portion of designated portion of hedging instruments in a cash flow hedge | (690.71) | 148.89 |
| | b) Exchange differences in translating the financial statements of foreign operation | 65,136.14 | 16,749.63 |
| | **Net other comprehensive income to be reclassified to profit or loss in subsequent periods (B)** | **64,445.43** | **16,898.52** |
| **XIII** | **Other comprehensive income for the year, net of tax [A + B]** | **64,951.35** | **15,523.84** |
| **XIV** | **Total comprehensive income for the year** | **65,508.13** | **27,428.52** |

# CONSOLIDATED CASH FLOW STATEMENT

**(All amounts are in USD 000's)**

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Cash Flow from Operating Activities** | | |
| Profit before tax for the Year | | |
| - Continuing operations | (8,147.49) | 7,073.19 |
| - Discontinued Operations | 16,678.40 | 25,831.07 |
| **Profit before tax** | **8,530.91** | **32,904.26** |
| Adjustments for: | | |
| Depreciation and amortization expenses | 56,878.07 | 61,796.63 |
| Loss/ (Gain) on disposal of property, plant and equipment and Write-off | 20.28 | (101.65) |
| Dividend Income | (84.51) | (174.94) |
| Liabilities/ Provision no longer required written-back | (1,357.75) | (1,906.58) |
| Interest income classified as investing cash flows | (41,291.50) | (52,896.19) |
| Finance costs | 23,302.67 | 27,084.56 |
| Lease income | (1,139.16) | (1,531.88) |
| Gain on Sale of Healthcare Business (net) | (16,678.40) | (25,831.07) |
| Net exchange differences | 53,242.27 | (3,009.40) |
| Other Adjustments | (8,567.94) | 941.46 |
| Change in operating assets and liabilities | (28,930.87) | 10,340.22 |
| **Net cash generated from operating activities** | **43,924.07** | **47,615.42** |
| Income taxes paid (net) | (4,211.85) | 4,359.24 |
| **Net cash generated/ (used) from operating activities** | **39,712.22** | **51,974.66** |
| **Cash flows from investing activities** | | |
| Payments for property, plant and equipment | (14,982.86) | (28,800.28) |
| Proceeds from sale of property, plant and equipment | 668.24 | 2,940.89 |
| Payments for purchase of investments (Net) | (56,318.01) | (40,671.76) |
| (Payment)/ Proceeds from sale of Healthcare Business (net) | 17,869.40 | 44,374.99 |
| Dividends Received | 84.51 | 174.94 |
| Lease Income | 1,139.16 | 1,531.88 |
| Payments for acquisition of subsidiaries | (9,625.97) | (15,010.61) |
| Movement in Bank Deposits | (1,450.15) | 10,937.07 |
| Loans repaid | 234,550.56 | 334,278.53 |
| Loans Given | (229,040.50) | (299,291.01) |
| Interest received | 41,674.60 | 48,906.52 |
| **Net cash generated/(used) in investing activities** | **(15,431.02)** | **59,371.16** |
| **Cash flows from financing activities** | | |
| Proceeds from borrowings | 376,340.06 | 545,305.83 |
| Repayment of borrowings | (364,270.13) | (559,372.92) |
| Repayment of Lease liability | (46,347.30) | (63,378.16) |
| Transactions with Non controlling Interest | - | 1,713.91 |
| Interest paid | (23,226.05) | (27,076.29) |
| Dividends paid | (112.68) | (3,358.09) |
| **Net cash (used) in financing activities** | **(57,616.10)** | **(106,165.72)** |
| **Net increase/ (decrease) in cash and cash equivalents** | **(33,334.90)** | **5,180.10** |
| Cash and cash equivalents at the beginning of the financial year | 87,987.25 | 80,928.94 |
| Effects of exchange rate changes on cash and cash equivalents | 5,961.72 | 1,878.21 |
| **Cash and cash equivalents at end of the year** | **60,614.07** | **87,987.25** |
| **Balances per statement of cash flows** | **60,614.07** | **87,987.25** |

# DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present their Report on the business and operations of Hinduja Global Solutions Limited ('the Company' or 'HGS') along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ('FY') ended March 31, 2026.

## Financial Results

**(₹ in million* except per share data)**

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | FY 2026 | FY 2025 | FY 2026 | FY 2025 |
| Revenue from Operations | 18,271 | 17,111 | 43,074 | 44,042 |
| Other Income | 2,578 | 1,765 | 5,496 | 5,546 |
| **Total Income** | **20,849** | **18,876** | **48,570** | **49,588** |
| Operating Expenses | 18,534 | 17,567 | 42,084 | 41,470 |
| Finance Cost | 1,051 | 1,167 | 2,068 | 2,292 |
| Depreciation | 2,508 | 2,570 | 5,048 | 5,228 |
| Total Expenses | 22,093 | 21,304 | 49,200 | 48,990 |
| Profit Before Exceptional Items & Tax | (1,244) | (2,428) | (630) | 598 |
| Exceptional Items | 87 | - | 93 | - |
| Provision for Taxes | 275 | 800 | 708 | 1,776 |
| **Profit from discontinued operations** | **-** | **-** | **1,480** | **2,185** |
| **Profit After Tax for the Period** | **(1,606)** | **(3,228)** | **49** | **1,007** |
| **Share Capital** | **465** | **465** | **465** | **465** |
| Earnings Per Share in ₹ | | | | |
| Basic | (34.52) | (69.38) | 6.92 | 26.10 |
| Diluted | (34.52) | (69.38) | 6.92 | 26.10 |

* (1 million = ₹ 10 lakhs)

(₹ in million* except per share data)

| Particulars | Discontinued Operations** | |
|---|---|---|
| | Consolidated | |
| | FY 2026 | FY 2025 |
| Revenue from Operations | - | - |
| Other Income | 1,480 | 3,754 |
| **Total Income** | **1,480** | **3,754** |
| Operating Expenses | - | 1,569 |
| Total Expenses | - | 1,569 |
| Profit Before Exceptional Items & Tax | - | 2,185 |
| **Profit After Tax for the Period** | **1,480** | **2,185** |
| Earnings Per Share in ₹ | | |
| Basic | 31.82 | 46.98 |
| Diluted | 31.82 | 46.98 |

* (1 million = ₹ 10 lakhs)

** The Board of Directors of Hinduja Global Solutions Limited, at its meeting held on August 9, 2021, had approved the sale of its Healthcare Services Business ('HS Business') to subsidiaries of Betaine BV ('Investor'), which is owned by funds affiliated with Baring Private Equity Asia. The transaction has been consummated on January 5, 2022. As a result, the Company has classified the HS Business as Discontinued Operations in its Financial Results including related notes and accounted the consideration in the quarter ended March 31, 2022.

During the year ended March 31, 2026, the Group, pursuant to a Transfer and Assignment Agreement, assigned its third-party liabilities ('Assigned Liabilities') without recourse for a consideration of USD 18.966 million (i.e.₹1,663 million) and recognized a gain of USD 16.896 million (i.e.₹1,480 million). These Assigned Liabilities relate to periods prior to the sale of the HS Business, which was consummated on January 5, 2022 and being clearly identifiable to the businesses being discontinued, is disclosed as Discontinued operations including net of tax thereon.

During the year ended March 31, 2025, the Group has recognized net gain of ₹ 2,185 million arising out of sale relating to HS Business after making appropriate provision of legal and other expenses.

The Standalone and Consolidated Financial Statements for the year ended March 31, 2026, have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended, ('Ind AS'), as prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other recognized accounting practices and policies to the extent applicable.

### Operating Performance

- **Consolidated Performance**

  Operating Revenues of the Business dropped 2.2% to ₹ 43,074 million from ₹ 44,042 million. Operating Revenues of BPM Business dropped 2.7% from ₹ 31,501 million to ₹ 30,648 million and Digital Media Business operating revenues dropped 0.9% from ₹ 12,541 million to ₹ 12,426 million.

  Operating EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization and excluding Other Income) dropped by 61.5% from ₹ 2,572 million to ₹ 989 million.

  Other Income during FY 2026 decreased from ₹ 5,546 million to ₹ 5,497 million.

  Profit Before Tax during FY 2026 was negative ₹ 723 million as compared to ₹ 598 million during FY 2025. This drop was primarily on account of drop in Operating EBITDA. Exceptional items for FY 2026 was ₹ 93 million.

  Tax Expense for FY 2026 was ₹ 708 million as compared to ₹ 1,777 million in FY 2025. The steep decrease is primarily on account of additional deferred tax expense in FY 2025.

  The Company reported a net loss of ₹ 1,431 million from Continuing Operations as compared to Loss of ₹ 1,178 million in FY 2025.

  On consolidated basis, HGS has reported PAT of ₹ 49 million for FY 2025-26 compared to ₹ 1,007 million of PAT during FY 2024-25. The reduction in PAT was primarily due to one time exceptional expense and reduction in profit from discontinued operations.

- **Standalone Performance**

  Standalone financials comprise the financials of the Company's BPM & Digital Media Business in India and its branch in Philippines.

  Operating Revenues of the Business grew 6.8% from ₹ 17,111 million to ₹ 18,271 million. Operating Revenues of BPM Business grew 10.3% from ₹ 9,841 million to ₹ 10,858 million and Digital Media Business operating revenues grew 2.0% from ₹ 7,269 million to ₹ 7,414 million.

  Operating EBITDA improved from loss of ₹ 456 million to loss of ₹ 263 million in FY 2026.

  Other Income during FY 2026 increased from ₹ 1,765 million to ₹ 2,578 million.

  For FY 2026, the Company reported a pre tax loss of ₹ 1,331 million as compared to pre tax loss of ₹ 2,428 million during FY 2025.

  Tax Expenses for FY 2026 was ₹ 274 million as compared to ₹ 800 million in FY 2025. The steep decrease is primarily on account of additional deferred tax expense in FY 2025.

  For FY 2026, the Company reported a net loss of ₹ 1,606 million as compared to net loss of ₹ 3,228 million in FY 2025.

  A review of the Financial and Operating Performance of your Company and its key subsidiaries has also been given in the 'Directors Report' and 'Management Discussion and Analysis' section, which forms part of this report.

### Other Consolidated Financial Highlights

Cash flow from operations and after working capital changes: Negative ₹ 1,252 million in FY 2026 as compared to ₹ 4,572 million in FY 2025;

Capital expenditure: ₹ 1,330 million in FY 2026 as compared to ₹ 2,437 million in FY 2025;

Gross Debt (exclusive of finance lease liability) of ₹ 12,940 million as at March 31, 2026 as compared to ₹ 11,869 million as at March 31, 2025;

Net Worth: ₹ 84,361 million as at March 31, 2026 as compared to ₹ 78,459 million as at March 31, 2025, an increase of 7.4%.

Overall EPS has decreased from ₹ 26.10 in FY 2025 to ₹ 6.92 in FY 2026.

### Consolidated Revenue Summary

**Revenue by origination Geography -** US & Canada: 36.7%, UK & Europe: 12.9%, India: 38.5% and others: 11.9%.

**Revenue by Verticals -** Tech, Media & Telecom: 50.5%, Banking and Financial Services: 18.4%, Consumer & Retail: 17.3%, Public Sector: 8.3%, Health & Life science: 2.2% and Others: 3.3%.

### Business Highlights

**Delivery Centres:** As of March 31, 2026, HGS had a presence in 10 countries, including 23 global delivery centers. The Digital Media business covers 4,500 pin codes, two lakh kilometres of owned + partner fibre networks, and 125+ owned-and-operated NXTHUBs across India.

**Clientele:** As of March 31, 2026, HGS had 425 active CX/ Digital clients and 881 HRO/Payroll processing clients/ brands. Digital Media business (NXTDIGITAL) has a customer base of over 4.8 million through Digital Television & Broadband.

### Share Capital

As on March 31, 2026, the issued, subscribed and paid-up capital of your Company comprises of 4,65,20,285 equity shares of ₹ 10/- each, aggregating to ₹ 465.20 Million (i.e. there is no change in paid-up capital since March 31, 2025).

During the financial year 2025-26, your Company has not issued shares with differential voting rights and sweat equity shares. The Company does not have any scheme to fund its employees to purchase the shares of the Company. Your Company has also not issued any shares to its employees under the ESOP Schemes during the year under review.

### Dividend

Your Directors are pleased to recommend a final Dividend of ₹ 5 per equity share (50%) (on an equity share of par value of ₹ 10/- each) for FY 2025-26, subject to the approval of the Shareholders of the Company at the ensuing Annual General Meeting (AGM).

In accordance with the provisions of the Income Tax Act, 2025 read with Income Tax Rules, 2026 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividend declared and paid by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the final Dividend after deduction of tax at source, as applicable.

Pursuant to the requirements stipulated under Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (‘SEBI Listing Regulations’), Dividend Distribution Policy been hosted on the website of the Company at https://hgs.com/wp-content/uploads/2024/06/Dividend-Distribution-Policy.pdf

### Transfer to Reserve

During the year under review, no amount was proposed to be transferred to the General Reserves of your Company.

### Business Overview

HGS is a global provider of technology, AI, and business services that helps organizations transform with confidence. Rooted in decades of operational excellence, HGS combines automation, analytics, artificial intelligence, and deep domain expertise to deliver Intelligent Experiences across the customer lifecycle, from digital customer care to back-office operations, human resources outsourcing, and advanced contact center solutions.

Building on our strong foundation in CX and business process management, we are expanding into new related areas by integrating technology, data, and operational insight to deliver real business results. Our Realized AI methodology brings discipline, speed, and certainty to transformation, delivering right-sized, practical solutions that work here and now, including a 90-days Proof of Value commitment that validates measurable impact in live environments before scaling.

HGS also operates NXTDIGITAL, India’s premier digital media distribution company, providing satellite, digital cable, and broadband services to over 4.8 million customers across 1,500 cities and towns.

Part of the multi-billion-dollar Hinduja Group, HGS takes a ‘globally local’ approach with 17,110 employees across 10 countries and 23 delivery centers, supporting some of the world’s most recognized brands. For the year ended March 31, 2026, HGS reported total income of ₹ 4,857 crore (i.e.US$ 547.3 million).

During FY 2025-26, there is no change in the nature of business of the Company.

Detailed information pertaining/ relating to Business Review/ Overview has been provided in the ‘Management Discussion and Analysis’ section, which forms part of this Report as **Annexure ‘D’**.

## Subsidiaries

- **Update on merger of 9 non-operating media subsidiaries**

  The Board of Directors of IndusInd Media and Communications Limited ('IMCL'), subsidiary of the Company, proposes to merge it's 9 non-operating subsidiaries (i.e. Ajanta Sky Darshan Private Limited, Apna Incable Broadband Services Private Limited, U S N Networks Private Limited, Gold Star Noida Network Private Limited, United Mysore Network Private Limited, Goldstar Infotainment Private Limited, RBL Digital Cable Network Private Limited, Sunny Infotainment Private Limited, Vistaar Telecommunication & Infrastructure Private Limited) through Scheme of Merger by Absorption ('Schemes') with itself (i.e. IMCL). The Schemes had been filed with Hon'ble National Company Law Tribunal, Mumbai Bench and Hon'ble National Company Law Tribunal, Ahmedabad Bench.

  In accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder, IMCL and entities involved in the said Scheme had sent requisite notices to the regulatory bodies, as applicable, and submitted response to the queries received from the authorities from time to time. At present, the Schemes are under process with Hon'ble NCLT and listed for further hearings in August 2026.

- **Incorporation of entity in Dubai**

  HGS International, Mauritius, wholly owned subsidiary of the Company, has formed an entity named 'HGS MENA IT Consulting LLC' in Dubai on July 3, 2026. The entity in Dubai is proposed to provide AI and Technologies Consulting services in MENA region.

### HGS - NXTDIGITAL Synergy

The collaboration between HGS and NXTDIGITAL continued to drive innovation and operational excellence, with both organizations working together to enhance business processes, automate systems, and improve efficiency and reliability of operations. A key example of this collaboration is NetX, an integrated platform that supports the end-to-end network management lifecycle for enterprise customers. During FY2026, NetX was enhanced to support invoice generation for Dark Fiber and inter-group customers, while improving system stability, governance, and audit readiness.

HGS also continued to provide end-to-end support and maintenance for NXTDIGITAL's internal SAP systems, ensuring stable and seamless business operations. The teams worked closely to implement several enhancements to improve productivity, strengthen controls, and meet evolving business needs.

By combining HGS' technology with NXTDIGITAL's domain expertise, the partnership has delivered practical and scalable solutions that automated and simplified several key business processes. These included streamlining banking operations, improving procurement workflows from purchase requests to vendor payments, automating transactions between NXTDIGITAL group companies, and enhancing billing processes through the integration of SAP and NetX.

Together, these initiatives have ensured operational efficiency, strengthened compliance,while aligning with HGS's broader intelligent experience offerings.

### Key subsidiaries

**HGS International, Mauritius**, wholly-owned subsidiary of your Company, is primarily engaged in investment activity. HGS International owns 100% of the share capital of HGS CX Technologies Inc, C-Cubed N.V., Curacao, Hinduja Global Solutions UK Ltd., HGS St. Lucia Ltd., Hinduja Global Solutions MENA FZ- LLC, Dubai (voluntarily deregistered on July 23, 2025), Team HGS South Africa (Pty) Ltd., Team HGS Australia Pty Ltd., and HGS MENA IT Consulting LLC (w.e.f. July 3, 2026). HGS International, jointly with Hinduja Global Solutions UK Limited, owns 100% of the share capital of Falcon PR Holdings, Puerto Rico.

**HGS CX Technologies Inc. (HGS CX)**, wholly owned subsidiary of HGS International, Mauritius, operates in US & Europe. It partners with Fortune 1,000 companies and Government agencies to provide comprehensive CRM programs in the verticals of consumer goods and services, e-commerce, telecom, media and travel & logistics, digital marketing services, digital consulting services as well as cloud migration and cloud monitoring services, a full-service financial planning and analytics service provider to over 60 clients across multiple industries, including consumer products, retail, pharmaceuticals, manufacturing & distribution, utilities, and high tech. HGS CX also subcontracts work to HGS India, its branch in the Philippines and to Team HGS in Jamaica.

For FY 2026, it recorded revenue of US$ 144.76 million as compared to US$ 165.68 million in FY 2025.

**HGS Canada Inc**., is a Canadian Contact Center service provider, servicing marquee customers across verticals such as Media, Telecom, Technology and Logistics. HGS Canada offers technical support, inbound and outbound sales, customer care and customer retention in English and French languages.

For FY 2026, it recorded revenue of CAD 58.57 million as compared to CAD 86.18 million in FY 2025.

**Hinduja Global Solutions UK Ltd**. is a leading contact center company with centers in Chiswick, Preston, Liverpool, Caerphilly (Wales) and Selkirk (Scotland). It offers a range of services for inbound and outbound interactions to marquee customers across verticals such as Government, FMCG, financial services and retail.

For FY 2026, it recorded revenue of GBP 47.76 million as compared to GBP 53.01 million in FY 2025.

**Team HGS Ltd**., Jamaica, began call center operations in FY 2013 at Kingston. It services local Jamaican clients as well as US clients.

For FY 2026, it recorded revenue of Jamaican Dollars 4,451.76 million as compared to Jamaican Dollars 3,168.83 million in FY 2025.

**Indusind Media & Communications Limited ('IMCL')**, business consists of Passive infrastructure (owned real estate property being rented to Group and other companies), Technical division providing technical services to its subsidiaries, Fiber Division providing fiber network management and supply chain services to group companies and Holding of investments in subsidiaries who are multi-system operators (MSOs). The subsidiaries of IMCL are all MSOs who are in the Cable TV industry, providing a platform for transmitting TV signals through cable operators to end consumer.

For FY 2025-26, it recorded revenue from operations of ₹ 419.28 million as compared to ₹ 1,066.30 million in FY 2024-25.

**ONEOTT Intertainment Limited ('ONEOTT')**, an Internet Service Provider which provides its services to Retail consumers directly, through Local Cable TV operators networks enterprises consisting of small and medium sized enterprises & provision of bulk bandwidth to other ISP's. ONEOTT also provides network operations services using fibre and related network equipment to customers in India. OneOTT is also engaged in downlinking of TV channels.

For FY 2025-26, it recorded revenue from operations of ₹ 1,872.04 million as compared to ₹ 2,465.42 million in FY 2024-25.

**Bhima Riddhi Infotainment Private Limited ('Bhima Riddhi'),** is a subsidiary of IMCL. Bhima Riddhi is a Multi System Operator (MSO), engaged primarily in the operation and distribution of Television Channels through the medium Analogue, Digital and Terrestrial Satellite cable Transmission and Distribution network in India.

For FY 2025-26, it recorded revenue from operations of ₹ 997.99 million as compared to ₹ 989.71 million in FY 2024-25.

**In Entertainment (India) Private Limited ('In Entertainment')** is a subsidiary of ONEOTT. In Entertainment is in the business of Content Distribution and Tele-Shopping, Vouchers and also operates cable channels. The Company has access to cable rights of various Hindi movies and licenses the same to national MSO's and Local Cable Operators. In Entertainment has a dedicated movie channel, 'CVO Movies' and a shopping channel 'Shop24Seven M-Plex'.

For FY 2025-26, it recorded revenue from operations of ₹ 1,296.20 million as compared to ₹ 610.96 million in FY 2024-25.

**Seven Star Balaji Broadband Private Limited** became subsidiary of ONEOTT in April 2024. For FY 2025-26, it recorded revenue from operations of ₹ 145.66 million as compared to ₹ 129.42 million in FY 2024-25.

As on March 31, 2026, the Company has total 39 Subsidiaries. During the year under review, the Company does not have any joint venture or associate company.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of financial statements of your Company's subsidiaries, as on March 31, 2026, in Form AOC-1 is attached to the financial statements of your Company.

Further, pursuant to Section 136 of the Act, the financial statements of your Company, consolidated financial statements along with relevant documents, and separate audited accounts with respect to subsidiaries, as applicable, are available on the Company's website at www.hgs.com

## Particulars of Loans, Guarantees and Investments

Particulars of Loans, Guarantees and Investments as per Section 186 of the Act have been disclosed in this Annual Report as part of the Notes to the financial statements.

## Credit Rating

During the year, CRISIL has reaffirmed the Company's long term rating as CRISIL A/Stable and short term rating of CRISIL A1.

## Investor Education and Protection Fund ('IEPF')

Information pertaining to unpaid/ unclaimed dividend; and equity shares which were transferred to IEPF during FY 2025-26 have been provided in the 'Report on Corporate Governance', which forms part of this report as **Annexure 'C'**.

## Communications and Public Relations

In FY2026, HGS sharpened its position as an AI-powered technology services provider, placing Agentic AI and business transformation at the center of its media and thought leadership program. HGS was established as a credible voice on where enterprise AI is heading, rather than simply a vendor offering it, through high-quality placements in media outlets such as TechRadar Pro, CIOReview, The Tech Talks Daily podcast, Solutions Review, Business Age, ITPro, and TechRound.

This AI-forward narrative was adapted across HGS's priority markets and practice areas, including BFSI, CX, Retail/CPG, and Telecom. Targeted placements in Forbes, The AI Journal, Fintech Finance News, VMBlog, Total Retail, CX Network, Solutions Review, and The Fast Mode brought the positioning to relevant industry audiences. Major corporate milestones further strengthened the story, including industry recognition for AMLens and the March 2026 launch of HGS's Intelligent Experience positioning and refreshed brand identity. HGS's growing market visibility was reflected in its Share of Voice, which averaged 8.64 percent during calendar year 2025 and ranked among the top five of 20 competing companies in most months.

A new workstream this year was the shift toward customer advocacy to serve as tangible proof points for this verticalized AI narrative. By establishing new internal workflows to prioritize real-world success stories, a pipeline of high-potential customer cases was identified across core sectors. This strategic pivot has already yielded active engagement and strong media interest from prestigious blue-chip brands.

In India, HGS amplified its brand presence and thought leadership through a mix of earned media, social platforms, knowledge sharing events, and stakeholder engagement. The Company regularly communicated milestones in business expansion, digital transformation, talent initiatives, and community outreach across a wide spectrum of reputed publications, including The Economic Times, Hindu Business Line, Financial Express, Business Standard, and People Matters, reaching investors, employees, and policymakers with relevant and timely narratives.

### Corporate Social Responsibility ('CSR')

As a socially responsible organisation, your Company is committed to contribute to the overall development of the society. Your Company's CSR initiatives have a significant focus on empowering economically and socially disadvantaged communities. To achieve goals, your Company concentrates CSR efforts in the areas of education, skill development, water, and community development. Projects are designed to promote learning, build vocational capabilities and ensure access to clean water - all with the objective of enhancing quality of life, enabling livelihoods, and fostering long-term social impact. Through these initiatives, your Company strives to contribute meaningfully to inclusive and sustainable development.

Your Company continues to carry out CSR activities in the aforementioned areas and continues to undertake CSR activities as specified in Schedule VII of the Act.

The Corporate Social Responsibility Committee ('CSR Committee') of your Company as at March 31, 2026, consists of following Members:

- Mr. Munesh Khanna (DIN: 00202521), Independent Director - Chairman
- Ms. Bhumika Batra (DIN: 03502004), Independent Director - Member
- Mr. Amit Saharia (DIN: 10652099), Non-Executive, Non Independent Director - Member

During FY 2025-26, one meeting of CSR Committee was held on March 26, 2026.

CSR Policy of your Company is guided by a structured process. The CSR Forum, comprising senior employees, responsible for identifying and evaluating potential CSR projects and initiatives. The recommendations are then forwarded to the CSR Committee, which reviews the proposals and assesses the associated costs in accordance with the relevant laws and regulations. Upon completing its review, the CSR Committee recommends approved projects to the Board for approval. Once approved, the CSR Forum oversees the implementation of the projects and provides updates to the CSR Committee and the Board on the status of progress, expenses, and beneficiaries. Through this well-defined process, your Company ensures that our CSR initiatives are thoroughly evaluated, aligned with mission and values, and ultimately contribute for the betterment of the society.

The Report on CSR activities, in the format as required under the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time, is set out in **Annexure 'E'** forming part of this report. The CSR Policy of the Company is also available on the website of your Company at https://hgs.com/wp-content/uploads/2023/03/CSR-POLICY_0.pdf

### Directors' Responsibility Statement

The financial statements are prepared in accordance with Ind AS to the extent applicable, as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended thereof.

As stipulated under the provisions contained in Section 134(3)(c) read with Section 134(5) of the Act, the Directors, based upon the information and explanations obtained by them as also documents made available to them and to the best of their knowledge and belief, state that:

a) in preparation of the Annual Accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed and there have been no material departures in the adoption and application thereof;

b) they have 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;

c) they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the Annual Accounts on a going concern basis;

e) they have laid down adequate internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Your Company has in place internal financial controls framework which, *inter-alia*, consist of function wise Status of Testing (Risk and Control Matrix, Test of Design, Test of Operating Effectiveness), Summary of Controls (Key and Non-Key), Process level controls (Process/ Function wise), IT General controls (Application wise and Process wise) etc. Such framework is periodically tested internally, as well as reviewed and tested by the external consultant. Based upon the said framework and the compliance systems established and maintained by the Company, work performed by the statutory, internal and secretarial auditors, including audit of internal financial controls over financial reporting, the reviews carried on by the Management, confirmations provided by the external consultants and update on such 'Framework' presented to the Audit Committee and the Board. The Board is of the opinion that your Company's internal financial controls were adequate and effective during FY 2025-26.

## Number of Meetings of the Board

During FY ended March 31, 2026, five (5) meetings of Board of Directors were held on May 28, 2025, August 6, 2025, November 10, 2025, February 10, 2026 and March 31, 2026. The Company has complied with time gap requirement between any two meetings provided under the provisions of the Act and SEBI Listing Regulations. Further details in this regard are given in the Corporate Governance Report, which forms part of this report as **Annexure 'C'**.

## Declaration by Independent Directors

Pursuant to the requirement of Section 149(7) of the Act, all the Independent Directors on the Board have given declaration of their independence, confirming that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, Independent Directors fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the Management.

In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

## Familiarization Program for Independent Directors

The details of familiarization programs imparted to the Directors during the financial year ended March 31, 2026, have been made available on your Company's website at https://www.hgs.com/wp-content/uploads/2026/04/HGSL-Familiarization-Program-FY2025-26.pdf

## Board Evaluation

In terms of the requirement of Sections 134 and 178 of the Act and applicable regulations of the SEBI Listing Regulations, the Board Effectiveness Evaluation has been carried out. The Board Evaluation framework by evaluating effectiveness was carried out at three levels as under:

- The Board as a whole;
- Individual Committees; and
- Individual Directors

For each of the above levels, structured questionnaires that covers the important aspects of effectiveness were sent, as under:-

| **Level of evaluation** | **Particulars** |
|---|---|
| Board evaluation | • Company performance<br>• Composition & dynamics<br>• Information architecture<br>• Substantive discussions |
| Committees evaluation | • Meetings and information<br>• Compositions and operations<br>• Specific responsibilities |
| Director evaluation | • Preparation and participation<br>• Personality and conduct<br>• Quality of value added |

The Board indicated that there is a significant opportunity to improve the Company's performance and for the Company to perform to its potential. The Board noted that strategic issues, opportunities and areas of risks require greater focus/ discussion.

Further, at the separate meeting of Independent Directors held during the financial year ended March 31, 2026 (without the attendance of Non-Independent Directors and the Members of the Management) on March 11, 2026, performance evaluation of Non-Independent Directors, the Chairman of your Company and the Board as a whole was also carried out for FY 2025-26. The Independent Directors also assessed the quality, quantity and timeliness of the flow of information between your Company's Management and the Board.

### Directors

#### Appointment/ re-appointment

- Mr. Amit Saharia (DIN: 10652099) has been appointed as a Non-Executive, Non-Independent Director of the Company at the 30th AGM held on September 25, 2025.
- Mr. Vynsley Fernandes (DIN: 02987818) has been re-appointed as Whole-time Director and CEO - Digital Media Business of the Company for a period of 3 years with effect from November 14, 2025, by way of Special Resolution through Postal Ballot on December 26, 2025.

#### Cessation

- Mr. Anil Harish (DIN: 00001685) ceased to be an Independent Director upon completion of 2 terms as an Independent Director effective from September 28, 2025.
- Mr. Partha DeSarkar (DIN: 00761144) ceased to be a Whole-time Director and KMP upon completion of his term of office with effect from September 3, 2025.
- Consequent to impending retirement from Hinduja Group, Mr. Sudhanshu Tripathi (DIN: 06431686) tendered resignation as a Non-Executive Non-Independent Director of the Company effective from September 30, 2025.
- Mr. Paul Abraham (DIN: 01627449), Non-Executive Director, liable to retire by rotation at the 30th AGM, did not seek re-appointment. Hence, he ceased to be a director of the Company with effect from September 25, 2025.

Consequently, these directors ceased to be member(s) of the Board Committee(s) of the Company, as applicable, from the date of their cessation as the Board members of the Company.

#### Retire by rotation

Pursuant to the provisions of the Act and the Articles of Association of the Company, Mr. Amit Saharia (DIN: 10652099), Non-Executive Director, is liable to retire by rotation at the ensuing 31st AGM and being eligible, offers himself for re-appointment.

The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on August 7, 2026, have approved and recommended the re-appointment of Mr. Amit Saharia as Director liable to retire by rotation. Accordingly, a proposal for re-appointment of Mr. Amit Saharia is placed for the approval of the Members by way of an Ordinary Resolution at the ensuing AGM.

None of the directors of the Company are disqualified for appointment / to continue to act as Director under Section 164 of the Act. Further, none of the directors of the Company have been debarred from holding the office of Director pursuant to order of the SEBI or any other authority.

Details relating to the composition of the Board, meetings of the Board held during financial year ended March 31, 2026, attendance of the Directors have been provided in the Report on Corporate Governance which forms part of this report as **Annexure 'C'**.

### Registration in Independent Directors' Databank

Pursuant to the notification dated October 22, 2019, issued by the Ministry of Corporate Affairs, the Independent Directors of the Company, to the extent applicable, have confirmed that their registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs is in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

### Audit Committee

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations, the Audit Committee of the Board as on March 31, 2026, comprises of following Members:

- Mr. Pradeep Udhas, Independent Director - Chairman
- Ms. Bhumika Batra, Independent Director - Member
- Dr. Ganesh Natarajan, Independent Director - Member and;
- Mr. Amit Saharia, Non-Executive Non-Independent Director - Member

Further, as per the requirements of the Act, and the SEBI Listing Regulations, the Board had also re-constituted following Committees of the Board:

- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship and Share Allotment Committee
- Risk Management & ESG Committee

Details of composition, terms of reference and number of meetings held for respective Committees etc. are given in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'**. Further, there have been no instances where the Board did not accept the recommendations of its Committees, including the Audit Committee.

### Key Managerial Personnel

Pursuant to the provision of Section 203 of the Act, as on March 31, 2026, following are the Key Managerial Personnel ('KMP') of your Company:

- Mr. Venkatesh Korla, Global Chief Executive Officer
- Mr. Vynsley Fernandes, Whole-time Director & CEO Digital Media Business
- Mr. Mahesh Kumar Nutalapati, Global Chief Financial Officer
- Mr. Narendra Singh, Company Secretary

### Affirmation of Code of Conduct

Your Company has a Code of Conduct for the Board and Senior Management Personnel that reflects its high standards of integrity and ethics. The Directors and Senior Management of the Company have affirmed their adherence to this Code of Conduct during FY 2025-26. A declaration to this effect, signed by Mr. Venkatesh Korla, Global CEO of the Company, forms part of this report as **Annexure 'A'**. This Code of Conduct is available on the Company's website and can be accessed at https://hgs.com/wp-content/uploads/2022/08/HGS-Code-of-Conduct-for-Board-Members-Sr-Mgt Personnel.pdf

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information relating to conservation of energy, technology absorption and foreign exchange earnings & outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended, forms part of this report as **Annexure 'B'.**

### Report on Corporate Governance

Pursuant to the requirement of Schedule V of the SEBI Listing Regulations, a detailed report on Corporate Governance forms part of this report as **Annexure 'C'**.

Mr. Virendra Bhatt, Practicing Company Secretary, Mumbai, (Membership No.: ACS 1157 and C. P. No. 124), Secretarial Auditor of your Company, has examined the compliance of conditions of Corporate Governance as stipulated in Schedule V (C) of the SEBI Listing Regulations and the certificate issued by him in this regard, forms part of **Annexure 'C'** to this report.

### Report on Management Discussion and Analysis

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate report on Management Discussion and Analysis which includes details on the state of affairs of the Company is annexed to this report as **Annexure 'D'**.

### Employees Stock Options Plans ('ESOP')

Two ESOP Schemes, viz. 'Hinduja Global Solutions Limited Employees Stock Options Plan 2008' and 'Hinduja Global Solutions Limited Employees Stock Options Plan 2011' have been in operation during FY 2025-26. These ESOP Schemes are in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended. During FY 2025-26, no stock options were granted under the said ESOP Schemes. Further, as on date, there are no outstanding stock options pending for vesting/ exercise. The particulars of aforesaid ESOP Schemes are available on your Company's website at https://hgs.com/investors/other-reports/#toggle-id-3

### Annual Return

Pursuant to Section 92(3) and 134(3)(a) of the Act, an Annual Return as on March 31, 2026, in the prescribed format, is available on your Company's website at https://hgs.com/investors/other-reports/#toggle-id-6

### Related Party Transactions

All contracts/ arrangements/ transactions entered into with the related parties during FY 2025-26 are in the ordinary course of business and at arm's length basis and therefore, outside the purview of Section 188(1) of the Act and same are disclosed in the financial statements of your Company. The Company has formulated a Policy on Related Party Transactions for identification and monitoring of such transaction as recommended by the Audit Committee and adopted by the Board is available on the Company's website at https://hgs.com/investors/corporate-policies/

Information on related party transactions pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended, is given in Form AOC-2 and the same forms part of this report as **Annexure 'F'**.

### Policy on Directors' Appointment and Remuneration

Policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act have been disclosed in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'**. Policies, including the Policy on Directors' Appointment and Remuneration, framed under the Act, and SEBI Listing Regulations, as applicable, have been uploaded on the website of the Company at https://hgs.com/investors/corporate-policies/

### Whistle Blower Policy and Vigil Mechanism

Pursuant to the requirement of Section 177 of the Act, and Regulation 22 of the SEBI Listing Regulations, your Company has Whistle Blower Policy and Vigil Mechanism in place and the same is available on the website of your Company at https://hgs.com/investors/corporate-policies/

No complaint was received under the said Policy during the year ended March 31, 2026.

The details of the Policy are disclosed in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'**.

### Internal Committee ('IC')

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has in place an Internal Committee (IC) and also Policy on appropriate social conduct at workplace. The Policy is applicable to all employees of your Company at all locations. Employees, for the purpose of this policy, includes all persons engaged in the business and operations of your Company and includes permanent, temporary and part-time employees. In addition, this policy is also applicable to all third parties such as visitors, clients, customers, contractors, service providers and any other person authorized to be present within the premises/ workplace of your Company. Your Company's workplace includes Company's premises, as well as the premises of other third parties, vendors and associates of your Company where the employees of your Company are required to perform work or that are visited by the employees of your Company arising out of or during the course of employment.

The Reports of the IC are periodically placed before the Board for review and suggestions, if any, as an ongoing process, and initiatives are taken by the Management to make the workplace safer for the employees.

The status of complaints received, disposed of by the IC and pending as at March 31, 2026, is as under:

| | |
|---|---|
| Number of complaints pending as on March 31, 2025 | Nil |
| Number of complaints received during the year April 2025 to March 2026 | 2 |
| Number of complaints disposed of during the year April 2025 to March 2026 | 2 |
| Number of complaints withdrawn during the year April 2025 to March 2026 | Nil |
| Number of complaints pending as on March 31, 2026 | Nil |

### Compliance with the Maternity Benefit Act, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive and supportive workplace for women employees. During the year under review, the Company has provided requisite maternity benefits as applicable and necessary systems/ processes are in place to extend such benefits as and when applicable.

### Risk Management Policy

The Company has formulated a Risk Management Policy & Procedures, which, *inter-alia,* identify risks, taking into consideration the business and operations of the Company and adoption of mitigation measures. The details of the Policy & Procedures are given in the Management Discussion and Analysis Report (MDA) annexed to this report as **Annexure 'D.'**

The Risk Management & ESG Committee ('RM & ESG Committee') has 3 members out of which two members are Independent Directors. The Committee provides focused oversight on sustainability and risk management.

The Committee met twice during FY 2025-26 and reviewed Enterprise Risk Management framework including ESG matters, the risks that matter and updated the policy and procedures as appropriate. The Audit Committee and the Board were briefed about deliberations that took place in the RM & ESG Committee.

### Fixed Deposits

During the year under review, your Company has not accepted any Deposits under Chapter V of the Act. Hence, no amount of principal or interest was outstanding on the date of Balance Sheet.

### Statutory Auditors and Auditors' Report

M/s. Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration Number: 103523W/W100048) appointed as the Statutory Auditors of the Company by the Members at the 27th AGM held on September 28, 2022 to hold office upto the conclusion of 32nd AGM to be held in the year 2027.

M/s. Haribhakti & Co. LLP, Chartered Accountants have under sections 139 and 141 of the Act and Rules framed thereunder confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the SEBI Listing Regulations.

The reports of the Statutory Auditors on Standalone and Consolidated Ind AS Financial Statements forms part of this Annual Report. The Auditors' Report contains 'Unmodified Opinion' on the financial statements (standalone and consolidated) of the Company, for the year ended March 31, 2026 and there are no qualifications in their report.

### Secretarial Audit and Compliance with Secretarial Standards

Pursuant to the provisions of Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations, as amended, the shareholders of the Company have appointed Mr. Virendra G. Bhatt, Practicing Company Secretary (Membership No.: ACS 1157 and C.P. No. 124), a Peer Reviewed Company Secretary in Practice, as the Secretarial Auditor of the Company for a term of five years from FY 2025-26 to FY 2029-30.

Secretarial Audit Report for FY 2025-26 issued by Mr. Virendra Bhatt, Practicing Company Secretary, Mumbai, forms part of this report as **Annexure 'G'**. The said Report does not contain any qualifications, reservations or adverse remarks. During the year, your Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### Cost Audit and Cost Auditor

During the year 2025-26, your Company has maintained Cost Accounts and Records pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended. The Cost Auditors' Report for the Financial Year ended March 31, 2025 did not contain any qualification, reservation or adverse remark, and the same was duly filed with the Ministry of Corporate Affairs. Further, the cost Auditors Report for the Financial Year ended March 31, 2026 also does not contain any qualification, reservation or adverse remark.

Further, in terms of section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s. ABK & Associates, Cost Accountants, (Firm Registration No. 000036) as Cost Auditor for the audit of the cost records of 'Telecommunication Activity' for FY 2026-27 and their remuneration needs to be ratified by the Members of the Company. Accordingly, a resolution for the said ratification shall be placed for approval of Members of the Company at the ensuing AGM.

### Proceeding under Insolvency and Bankruptcy Code, 2016

There are no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during FY 2025-26. The disclosure as per rule 8(5)(xi) and 8(5)(xii) of the Companies (Accounts) Rules, 2014 are not applicable.

### Reporting of fraud

During the year under review, there were no instances of fraud reported by the Auditors under Section 143(12) of the Act.

### Particulars of Employees

Disclosures as required under section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are given in **Annexure 'H'** to this Report.

In terms of the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Annual Report.

Having regard to the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company and any member interested in obtaining such information may write to the Company Secretary and the same shall be furnished without any fee.

In accordance with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, details of foreign employees, excluding Directors and their relatives, have not been included in the Annual Report. Members interested in obtaining the said information may write to the Company Secretary at the Registered Office and the same shall be furnished without any fee.

### Business Responsibility and Sustainability Report ('BRSR')

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, Business Responsibility and Sustainability Report ('BRSR') describing the initiatives taken by the Company from ESG perspective and as required in terms of the above provisions, forms part of this report as **Annexure 'I'**.

### Update on survey/ search conducted by Income Tax Authorities

Post the search/survey conducted in FY 2023-24, the Deputy Commissioner of Income Tax ('DCIT') issued a show cause notice as to why GAAR under Chapter X-A of Income-tax Act, 1961 should not be invoked. Your Company has filed a detailed reply with all supporting documents.

Subsequently, Pr. Commission of Income Tax ('PCIT') referred the matter to the Approving Panel for GAAR.

The Approving Panel for GAAR passed an order characterizing the demerger of NXT Digital's DMC business with HGS as an 'impermissible avoidance arrangement' and directed the DCIT to disregard the set-off of brought forward losses of the demerged entity (NDL Ventures Limited) with the income of the Company.

The Company challenged the above direction before the Hon'ble High Court of Judicature at Bombay by way of a writ petition. The Hon'ble Bombay High Court heard the writ petition and has passed an interim relief order in favour of the Company stating that: (a) the petition filed by the Company is admitted; and (b) in the interim, granted a stay on implementation of the said direction of

GAAR Panel providing the interim relief to the Company. The proceedings on merits of the writ petition is currently pending before the Hon'ble High Court.

### Update on Customs related matter

As on March 31, 2026, the stay order of the Hon'ble Calcutta High Court on the Show Cause Notice ('SCN') issued by the Commissioner of Customs, Kolkata continues. The proceedings on merits of the writ petition is currently pending before the Hon'ble High Court. Further, SCN issued by the Development Commissioner SEZ, Cochin is also stayed by the Hon'ble High Court of Kerala. The proceedings on merits of the writ petition will be based on the outcome of writ petition filed before the Hon'ble Calcutta High Court.

### Material Changes and Commitments Affecting the Financial Position of the Company between the end of the Financial Year and Date of the Report

There are no other material changes and commitments between the end of the financial year of the Company and as on the date of this report which can affect the financial position of the Company, except as under:-

In August 2026, IndusInd Media and Communications Limited ('IMCL'), Subsidiary of the Company, had received order from Central Goods and Services Tax and Central Excise for Short payment/non-payment of Service Tax for FY 2016-17. The order seeks recovery of the Service Tax demand of ₹ 76.50 crore, equivalent amount of penalty and interest thereon. Earlier, IMCL has neither received notice nor Service Tax Order of alleged short payment/ non-payment of Service Tax for FY 2016-17, opportunity to respond the notice and demand letter for said FY 2016-17 as these notices/ communications were sent by the CGST & Central Excise Department to the address which was vacated by IMCL around two decades ago. Presently, IMCL is examining the matter and will take up the matter with relevant Authority including appropriate legal steps.

### Significant and Material Orders

There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status and your Company's operations in the future.

### Internal Financial Controls, Audit Trail and its Adequacy

The Company has adopted policies and procedures for ensuing the orderly and efficient conduct of its business (including Internal Financial Controls over Financial Reporting) and their adequacy are included under the heading 'Internal Controls' and 'Audit Trail' in the Management Discussion and Analysis section, which forms part of this report as **Annexure 'D'**.

### Acknowledgements

Your Directors' express their grateful appreciation for the co-operation and support received from the customers, vendors, business associates, investors, financial institutions, bankers, the Government of India, State Governments, Governments of various countries in which your Company operates, regulatory authorities and the society at large. Your Directors place on record their sincere appreciation for the dedicated efforts, commitments and contribution of employees at all levels of your Company.

**For and on behalf of the Board of Directors**

**Ashok P. Hinduja**
**Chairman**
**DIN:00123180**

Place: Mumbai
Date : August 7, 2026

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## Annexure 'A'

# TO THE DIRECTORS' REPORT

### Declaration of Code of Conduct

I hereby confirm that all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct of the Company for the year ended March 31, 2026.

Place: Austin
Date : May 18, 2026

**Venkatesh Korla**
**Global CEO**

# Annexure 'B'

# TO THE DIRECTORS' REPORT

**Particulars pursuant to Companies (Accounts) Rules, 2014**

a. **Energy Conservation and Technology Absorption:**

The nature of your Company's business does not involve manufacturing or processing activities and, accordingly, reporting on energy conservation is not applicable. Nevertheless, your Company remains committed to environmental sustainability and recognizes the importance of energy efficiency in mitigating climate change and its adverse effects. Through responsible business practices, your Company continues to optimize energy usage and reduce its environmental footprint across operations.

In terms of technology absorption, FY2026 was a year of transformation and strategic repositioning for HGS as an Intelligent Experience company, enabling enterprise transformation by embedding AI into customer and business workflows.

Security and resilience remained key focus areas during FY2026, with your Company continuing to strengthen its cybersecurity framework and enhance protection across its ecosystem. In addition to the standardization of SentinelOne as the Company's global Security Information and Event Management (SIEM) platform, HGS has also adopted Microsoft Azure Sentinel SIEM solutions to extend advanced security monitoring and threat management support to Hinduja Group companies. These initiatives have enabled enhanced visibility, faster incident detection, and improved response capabilities across diverse business environments.

Recognizing the evolving cyber threat landscape, particularly with the rapid adoption of Artificial Intelligence technologies, your Company has made significant investments in strengthening security controls and governance frameworks to address AI-related security risks, in addition to the traditional security measures already in place. These investments are focused on safeguarding enterprise data, mitigating emerging threats, and ensuring secure adoption of next-generation technologies across the organization.

Your Company's commitment to cybersecurity excellence is further reflected in the continuous enhancement of its security posture and monitoring capabilities. As a result of the strengthened controls, improved governance, and proactive risk-management initiatives implemented during the year, HGS's BitSight security rating improved by 50 basis points in the fiscal, demonstrating measurable progress in external cybersecurity performance and risk reduction.

During the year, your company also continued to support clients in highly regulated industries through specialized security and compliance services. Notably, HGS successfully assisted a leading BFSI organization in achieving PCI DSS recertification, reinforcing its capabilities in compliance management, security governance, and regulatory readiness.

Through its HGS Secure practice, your Company provides comprehensive cybersecurity advisory and managed security services to clients. These include conducting periodic Tabletop Exercises jointly with client organizations to evaluate incident preparedness and strengthen security response capabilities. HGS Secure also facilitates Vulnerability Assessment and Penetration Testing (VAPT) programs at regular intervals to identify potential weaknesses and enhance overall security resilience. In addition, your Company provides infrastructure support services under a Managed Security Services Provider (MSSP) model for selected clients, complemented by IT Service Management (ITSM) adoption and operational support, enabling organizations to improve governance, optimize technology operations, and maintain robust security practices.

**b. Foreign Exchange Earnings and Outgo:**

The Foreign Exchange earned in terms of actual inflows and outgo during the year are as under:

- **Foreign Exchange Earnings and Outgo:**

(₹ in million)

| For the Year | 2025-26 | 2024-25 |
|---|---|---|
| Total Foreign Exchange earned | 4,108.10 | 3,468.59 |
| Total Foreign Exchange outgo | 373.69 | 576.04 |

- **Export initiatives and development of new export market:**

The share of export in the total income for the last two years is as given under:-

| For the Year | 2025-26 | 2024-25 |
|---|---|---|
| Export as a: | | |
| - % of operating income | 22.48 | 20.27 |
| - % of total income | 19.70 | 18.38 |

**For and on behalf of the Board of Directors**

**Ashok P. Hinduja**
**Chairman**
**DIN: 00123180**

Place: Mumbai
Date : August 7, 2026

# Annexure 'C' to the Directors' Report
# Report on Corporate Governance

**For the Financial Year ('FY') ended March 31, 2026**

**[PURSUANT TO SCHEDULE V (C) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is committed to run its business and operations in a legal, ethical and transparent manner and its corporate practices are based on professionalism, fairness and accountability which ultimately results in building confidence and in gaining credibility and trust of various stakeholders. The business and operations of your Company are carried on by the professionals and competent management under the guidance and advice of the diversified, experienced and independent Board of Directors. The Board of Directors act as a vital monitoring mechanism to ensure adoption and implementation of good corporate practices by the Management. Your Company believes that the primary goal of corporate governance is the enhancement of long-term shareholders' value and at the same time protecting the interest of other stakeholders and strives to achieve these objectives, thereby paving the way for its long-term success.

## 2. BOARD OF DIRECTORS

### Composition

The composition of the Board is in conformity with the requirements of the Companies Act, 2013 ('the Act') including the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). The composition of the Board represents an optimal mix of professionalism, knowledge, and experience and enables the Board to discharge its responsibilities and provide effective leadership to the Company.

As at March 31, 2026, the Board of Directors of the Company comprises one Whole-time Director/ Executive Director and six Non-Executive Directors. Of the six Non-Executive Directors, two are Non-Independent Directors and four are Independent Directors. The composition of the Board is in conformity with the requirements of the Act and SEBI Listing Regulations. None of the Directors are related to each other and Key Managerial Personnel. The Chairman of the Company is the Promoter of the Company.

The Members of the Board are drawn from diverse fields and devote substantial time in the deliberations at the Board Meetings and Committee Meetings of which they are Members. The Board is fully committed towards ensuring adoption and implementation of highest standards of corporate governance. The Global Chief Executive officer and the Whole-time Director are responsible for the day-to-day business, operation and the Management of the Company, subject to the superintendence, control and direction of the Board of Directors of the Company.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the Management.

All the Directors of the Company, except Independent Directors and Non-Executive Chairman, are liable to retire by rotation. The Company does not have any Nominee Director of any financial institutions/ banks. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Board of Directors of the Company has accepted all the mandatory recommendations of the Committees of the Board.

None of the Directors on the Board:

- holds directorships in more than 7 (seven) listed companies;
- holds directorships in more than 10 (ten) public companies;
- who is the Whole-time Director serve as independent directors in more than 3 (three) listed companies;
- serves as Member of more than 10 (ten) committees or Chairperson of more than 5 (five) committees. Committees include Audit Committee and Stakeholders' Relationship Committee across all public companies in which they are directors.

### Details of Board Meetings held during the FY ended March 31, 2026, attendance of Directors at the said Meetings and at the last AGM and details of Directorships and Memberships of the Board and of the Committees (including that of the Company)

During FY ended March 31, 2026, 05 (Five) Board Meetings were held on May 28, 2025, August 6, 2025, November 10, 2025, February 10, 2026 and March 31, 2026.

The Company has complied with time gap requirement between any two meetings as provided under the provisions of the Act and SEBI Listing Regulations. Wherever required, video conferencing facility has been provided to facilitate Directors to participate in the meetings of the Board and the Committees of the Board.

The composition of the Board, details of directorship, committee positions as on March 31, 2026 and attendance of the Directors at the Board meetings and the AGM held during the year under review are given in the table below:

| Name of the Directors | Attendance at Board Meetings during FY 2025-26 | Attendance at the last AGM held on September 25, 2025 | Board Membership[#] | | Committee Membership[#] | | Directorship in other listed entities | |
|---|---|---|---|---|---|---|---|---|
| | | | Chair-person | Member | Chair-person | Mem ber | Name of the listed entity | Category |
| Mr. Ashok P. Hinduja<br>Chairman, Non-Executive Director<br>DIN: 00123180 | 5 | No | 5 | - | - | - | - | - |
| Ms. Bhumika Batra<br>Woman Independent Director<br>DIN: 03502004 | 5 | Yes | - | 10 | 4 | 8 | Jyothy Labs Limited | Independent Director |
| | | | | | | | Sudarshan Chemical Industries Limited | |
| | | | | | | | Deepak Nitrite Limited | |
| Dr. Ganesh Natarajan<br>Independent Director<br>DIN: 00176393 | 5 | Yes | - | 6 | 1 | 5 | Honeywell Automation India Ltd | Independent Director |
| | | | | | | | GTT Data Solutions Limited (formerly known as Cinerad) | Non-Executive Non Independent Director |
| | | | | | | | Cyient DLM Limited | Independent Director |
| Mr. Pradeep Udhas<br>Independent Director<br>DIN:02207112 | 5 | Yes | - | 5 | 1 | 5 | Indusind Bank Limited | Independent Director |
| | | | | | | | Finolex Industries Limited | |
| | | | | | | | Kajaria Ceramics Limited | |
| Mr. Munesh Khanna<br>Independent Director<br>DIN:00202521 | 5 | No | - | 10 | 4 | 10 | Gulf Oil Lubricants India Limited | Independent Director |
| | | | | | | | NDL Ventures Limited | |
| | | | | | | | JSW Energy Limited | |
| | | | | | | | Blackbox limited | |
| | | | | | | | Finolex Industries Limited | |
| Mr. Vynsley Fernandes<br>Whole-time Director<br>DIN: 02987818 | 5 | Yes | - | 4 | - | 1 | - | - |
| Mr. Amit Saharia[@]<br>Non-Executive Director<br>DIN: 10652099 | 3 | Yes | - | 2 | - | 2 | - | - |

[@] Appointed with effect from September 25, 2025.

[#] Refer Notes below:

(a) Membership of the Board (i) includes unlisted public companies; and (ii) excludes Foreign Companies, Private Limited Companies (which are not subsidiaries of public limited companies), Alternate Directorships and Companies registered under Section 8 of the Act.

(b) Committee Membership: As per Regulation 26(1) of the SEBI Listing Regulations, Membership and Chairpersonship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public companies are only considered.

### Other details about the Board

I. The terms and conditions of appointment of Independent Directors have been uploaded on the website of the Company at https://www.hgs.com/investors/corporate-policies

II. The details of familiarization program imparted to Directors during FY ended March 31, 2026 has been uploaded on the website of the Company at https://hgs.com/investors/investors-familiarisation-programme-for-directors/

III. Chart or Matrix Skills/ expertise/ competence of the Board:

Your Company's business combines automation, analytics, and artificial intelligence with deep domain expertise focusing on digital customer experiences, back-office processing, contact centers, Digital Media business and HRO solutions. The Board has identified following skill sets / competencies:

Knowledge about the digital and BPM Industry, artificial intelligence, Digital Media business, HRO solutions and how operations are carried out, knowledge and expertise in the following areas - finance, taxation (direct & indirect), Legal, Corporate laws and laws applicable to the industry in which the Company operates, Corporate Governance, SEBI Regulations, Business restructuring, Strategic Planning relating to business and human resources etc.

As on March 31, 2026, following are the skills as identified by the Board:

| Skills/expertise/ competence of the Board of Directors as required in the context of its business(es) and Sector(s) | Name of Directors who have such skills/ expertise / competence |
|---|---|
| Expertise in digital and BPM Industry, Digital Media, Commercial, Banking, Finance and Hospitality | Mr. Ashok P. Hinduja |
| Legal, Corporate and International laws | Ms. Bhumika Batra |
| IT and BPM Industry | Dr. Ganesh Natarajan |
| Finance, Technology and Business Management | Mr. Pradeep Udhas |
| Finance, Investment Banker and Advisor | Mr. Munesh Khanna |
| Corporate Strategic Business Planning, Merger and Acquisition Strategy, Strategic Operations & Supply Chain Management, Enterprise Cost Reset and Business Process Optimisation enabled with "Digital Reset". | Mr. Amit Saharia |
| Expertise in Media and Entertainment Sector, Strategic Financial Acumen, Strategic Risk Management, Corporate Governance. | Mr. Vynsley Fernandes |

Mr. Venkatesh Korla,Global CEO, has expertise in digital services, data analytics, technologies driven customer experience, IT/BPM industry.

As on March 31, 2026, the Board of Directors consists of 7 Directors out of which 6 are Non-Executive Directors and 1 Executive (Whole-time) Director. The members of the Board are drawn from diversified field and each member of the Board has varied and vast experience in their chosen field. Having regard to the deliberations ensued at the meetings of the Board and the Committees particularly on the matters relating to the Business and operations of the Company, Regulatory compliances, adherence to the Corporate Governance standards etc.; the Board believes that its members do possess requisite skills, expertise and experience which enables the Board as a collective body to discharge its functions effectively by providing timely advice and guidance to the management in critical areas.

IV. Your Company has adopted the Code of Conduct for Board Members, Senior Management Personnel and Employees ('the Code'). The Code is available on the Company's website at https://hgs.com/wp-content/uploads/2023/10/HGS-Code-of-Conduct-for-Board-Members-Sr-Mgt-Personnel.pdf. All Board Members and Senior Management Personnel have affirmed compliance with the Code for the year ended March 31, 2026. As required under Schedule V(D) of the SEBI Listing Regulations, the declaration of the Global CEO to this effect has been attached as **Annexure 'A'** to the Directors' Report.

V. Details of equity shares of the Company held by the Directors as on March 31, 2026 are as under:

| Name of Director | Number of Shares held |
|---|---|
| Mr. Ashok P. Hinduja# | 14,28,345 |
| Ms. Bhumika Batra | - |
| Dr. Ganesh Natarajan | 1,158 |
| Mr. Pradeep Udhas | - |
| Mr. Munesh Khanna | - |
| Mr. Amit Saharia | - |
| Mr. Vynsley Fernandes | - |

# Includes shareholding as Karta of HUFs.

## 3. AUDIT COMMITTEE

- **Terms of Reference**

The Audit Committee acts in accordance with the 'terms of reference' as specified by the Board of Directors ('the Board') of the Company and/ or mandated in the SEBI Listing Regulations/ the Act, from time to time, which, *inter-alia*, includes:

Recommendation to the Board for appointment, remuneration and terms of appointment of Auditors of the Company, review and monitoring the Auditor's independence, performance and effectiveness of Audit process; examination and recommendation to the Board of the quarterly financial results and Annual Financial Statements and Auditor's Report thereon; Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; Discussion with internal auditors and with the Management on critical and significant findings of the Internal Audit Reports and suggesting corrective measures and follow up thereon; Evaluation of Internal Financial Controls and risk management systems; Review, approval and any subsequent modification of transactions with related parties, Review of Enterprise Risk Management framework and updates thereon; Scrutiny of Inter-corporate loans and investments, valuation of undertakings or assets of the Company, wherever it is necessary, Review of and report to the Board, findings of any internal investigation by the Management/ internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, Review of Reports submitted by the Compliance Officer under Prevention of Insider Trading Code of the Company and matters relating to the compliance of the said Code, Review of Reports submitted under Whistle Blower Policy & Vigil Mechanism, matters related to TCWG (Those Charged with Governance) etc. The broad terms of reference of Audit Committee includes the requirements as specified in the SEBI Listing Regulations and the Act, from time to time.

- **Composition**

During the year under review, there was a change in the composition of the Audit Committee. The composition of the Audit Committee, as on March 31, 2026, is as under:-

➢ Mr. Pradeep Udhas, Independent Director - Chairman

➢ Ms. Bhumika Batra, Independent Director - Member

➢ Dr. Ganesh Natarajan, Independent Director - Member

➢ Mr. Amit Saharia, Non-Executive Non-Independent Director - Member

The composition of the Audit Committee conforms with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

All the Members possesses a sound knowledge of accounts, audit and financial management. The Company Secretary acts as Secretary to the Committee. The invitees to the Audit Committee meetings include representatives of the Statutory Auditor, Internal Auditor or his representative, Cost auditors, representatives of firm engaged to carry out IFC, Whole-time Director, Non-Executive Director, the Global CEO and the Global CFO and such other Executives and external consultants as deemed necessary.

Further, in accordance with National Financial Reporting Authority (NFRA) circular dated January 7, 2026, TCWG of the Company comprises of all Members of Audit Committee, Mr. Venkatesh Korla, Global CEO, Mr. Vynsley Fernandes, Whole-time Director and Mr. Mahesh Kumar Nutalapati, Global CFO.

- **Meetings**

During FY ended March 31, 2026, 6 (Six) meetings of the Committee were held on April 04, 2025, May 28, 2025, August 06, 2025, September 26, 2025, November 10, 2025, February 10, 2026. The Company has complied with the time gap requirement between any two meetings as provided under the provisions of the Act and SEBI Listing Regulations.

- **Attendance**

| Name of the Member | No. of Meetings attended |
|---|---|
| Mr. Pradeep Udhas | 6 |
| Ms. Bhumika Batra | 6 |
| Dr. Ganesh Natarajan | 6 |
| Mr. Amit Saharia@ | 2 |

@ Inducted as a member of the Audit Committee during FY 2025-26.

**Note:** Each of Mr. Anil Harish and Mr. Sudhanshu Tripathi have attended 4 meetings of Audit Committee during FY 2025-26 before their cessation as the members of the Audit Committee.

Mr. Anil Harish, the then Chairman of the Audit Committee, attended the last AGM of the Company held on September 25, 2025.

## 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The details of Corporate Social Responsibility Committee including terms of reference, composition, number of meetings and attendance of meeting etc. is given as **Annexure 'E'** to the Directors' Report.

## 5. NOMINATION AND REMUNERATION COMMITTEE ('NRC')

**a. The Committee was constituted as a Board Committee and empowered to take and approve decisions and keep the Board informed at regular intervals regarding:**

i. Identification and appointment of a qualified Managing Director and approving senior Management candidates one level below the MD (including promotions), Key Managerial Personnel.

ii. The terms of engagement for Independent Directors, Non-Executive Directors, Managing Director, Whole-time Directors and senior management candidates one level below the Managing Director / Whole-time Director.

**b. The Broad Terms of Reference of NRC are as follows:**

- Devising a policy on board diversity.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Evaluate and approve for appointment candidates recommended by Managing Director/ Whole-time Director for positions of senior management and above.
- Design and administer processes for evaluating the qualification, positive attributes and independence of a Director and recommend to the Board a Policy (in compliance with the provisions of the Section 178(4) of the Act), relating to remuneration of Directors, Key Managerial Personnel and other employees.
- Evaluation of Performance Management System of Managing Director, Whole-time Directors and senior management.
- Review the succession plan for critical positions and suggest actions.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

  The broad terms of reference of NRC includes the requirements as specified in the SEBI Listing Regulations and the Act, from time to time.

- **Composition**

The composition of NRC has undergone change during FY 2025-26 and, as on March 31, 2026, comprises of three members as follows:

- Mr. Pradeep Udhas, Independent Director - Chairman
- Ms. Bhumika Batra, Independent Director - Member
- Mr. Amit Saharia, Non-Executive, Non-Independent Director - Member

  The composition of the NRC conforms with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

- **Meetings**

During FY ended March 31, 2026, 3 (Three) meetings of the NRC were held on May 27, 2025, August 04, 2025 and November 10, 2025.

**Attendance:**

| Name of the Member | No. of Meetings attended |
|---|---|
| Mr. Pradeep Udhas, Chairman@ | 1 |
| Ms. Bhumika Batra, Member | 3 |
| Mr. Amit Saharia, Member@ | 1 |

@ Inducted as a member of the NRC during FY 2025-26.

**Note:** Each of Mr. Anil Harish and Mr. Sudhanshu Tripathi have attended 2 meetings of NRC during FY 2025-26 before their cessation as the members of the NRC.

Mr. Anil Harish, the then Chairman of the NRC, attended the last AGM of the Company held on September 25, 2025.

- **Performance Evaluation Criteria for Independent Directors**

The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The aspects evaluated are as follows:

**(a) Role and Accountability**

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.

- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

**(b) Objectivity**

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

**(c) Leadership and Initiatives**

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

**(d) Personal Attributes**

- Commitment to role and fiduciary responsibilities as a Board member.
- Attendance and active participation.

- **Remuneration Policy**

The NRC is responsible for formulating and making the necessary amendments to the "Remuneration Policy" for the Non-Executive Directors (NEDs), Chief Executive Officer (CEO), Key Managerial Personnel (KMP), Senior Management Personnel of the Company, from time to time, and the Policy is approved by the Board. The objective of the Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs and to ensure that they perform effectively to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the Company's stakeholders. The remuneration policy reflects a balance between the interests of the Company's stakeholders as well as between the Company's short-term and long term strategy and is designed to balance short term operational performance with the medium and long-term objective of creating sustainable value within the Company. The Remuneration Policy as approved by the NRC and the Board has been placed on the website of the Company at https://hgs.com/investors/corporate-policies/

- **REMUNERATION OF DIRECTORS**
- **Remuneration by way of sitting fees**

The Non-Executive Directors were paid sitting fees, within the limits prescribed under the Act, for attending Meetings of the Board and the Committees of the Board held during FY ended March 31, 2026, as under:

(₹ in lakhs)

| Name of Director | Sitting Fee |
|---|---|
| Mr. Ashok P. Hinduja | 4.00 |
| Ms. Bhumika Batra | 13.00 |
| Dr. Ganesh Natarajan | 10.50 |
| Mr. Pradeep Udhas | 11.50 |
| Mr. Munesh Khanna | 4.00 |
| Mr. Amit Saharia | 5.50 |
| Mr. Anil Harish# | 7.00 |
| Mr. Sudhanshu Tripathi# | 7.50 |
| Mr. Paul Abraham# | 1.00 |

#Ceased to be the Board members during FY 2025-26.

- **Remuneration by way of Commission**

The Non-Executive Directors were earlier paid commission within the ceiling of 1% of the net profits of the Company as computed in the manner as specified under Section 198 of the Act in accordance with the approval granted by the Members at the 25th AGM held on September 30, 2020. Such commission was divided amongst the Non-Executive Directors as determined and approved by the NRC and the Board based on the parameters such as tenure as a Board member, attendance and participation in the Board meetings during the year, etc.

However, due to losses for the FY ended March 31, 2026, there is no commission paid/ payable to Directors for FY 2025-26. Further, Non-Executive Directors are not entitled for stock options under the existing ESOP Schemes of the Company.

Remuneration paid to the Global CEO and the Whole-time Director for the FY ended March 31, 2026, was as under:

- **Mr. Venkatesh Korla**

Mr. Venkatesh Korla has been appointed as the Global CEO (KMP) of the Company effective May 28, 2025. He is based at USA and draws the remuneration from HGS CX Technologies Inc, a wholly owned subsidiary of the Company (HGS CX). The remuneration to Mr. Venkatesh Korla is paid by HGS CX in US$ which is converted into INR, as under:

| Elements of remuneration | Amount in ₹ |
|---|---|
| Salary | 5,33,52,206 |
| Performance or One time Incentive paid | 2,02,34,886 |
| **Total** | **7,35,87,092** |

**Notes:** As on March 31, 2026, Mr. Venkatesh Korla does not have any outstanding stock options, hence, other details are nil/ not applicable.

- **Mr. Vynsley Fernandes**

Remuneration paid to Mr. Vynsley Fernandes, Whole-time Director, is in terms of the limits specified in Section 197 and Schedule V to the Act and in accordance with the terms of appointment and remuneration approved by the Members through Postal Ballot on December 26, 2025 as under:

| Elements of remuneration | Amount in ₹ |
|---|---|
| Salary | 2,25,60,000 |
| Perquisites & Allowances | 8,91,126 |
| Other, please specify (Employer's contribution towards Provident Fund, Gratuity Fund and Superannuation Fund and Medical Insurance) | 14,40,000 |
| **Total** | **2,48,91,126** |

**Notes:** As on March 31, 2026, Mr. Vynsley Fernandes does not have any outstanding stock options, hence, other details are nil/ not applicable.

- **Material pecuniary relationships or transactions with the Non-Executive Directors**

During FY ended March 31, 2026, apart from the sitting fees paid to the Non-Executive Directors, the Company did not have any material pecuniary relationships or transactions with Non-Executive Directors in their individual capacity. The transactions, if any, with the firms/ entities where directors are interested are disclosed in notes to Financial Statements under Related Party Transactions.

## 6. STAKEHOLDERS RELATIONSHIP AND SHARE ALLOTMENT COMMITTEE

The Stakeholders' Grievance Committee is known by the name Stakeholders' Relationship and Share Allotment Committee ('SRSAC').

- **Composition**

During the year, there is change in the composition of the Committee and the composition of the Committee as on March 31, 2026 is as under: -

- Ms. Bhumika Batra, Independent Director - Chairperson
- Dr. Ganesh Natarajan, Independent Director - Member
- Mr. Amit Saharia, Non-Executive, Non-Independent Director – Member @Inducted as a member of the SRSAC during FY 2025-26.

**Note:** During FY 2025-26, Mr. Partha DeSarkar, Whole-time Director and Mr. Paul Abraham, Non-Executive Director, ceased to be a Members of SRSAC.

The term of reference of the Committee are as follows:

i. Resolve the grievances of the security holders of the listed entity including complaints related to demat, remat, transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii. Review of measures taken for effective exercise of voting rights by the shareholders.

iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports and statutory notices by the shareholders of the Company.

The composition of the SRSAC conforms with the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. Mr. Narendra Singh, Company Secretary, acts as Compliance Officer. Further, the terms of reference of SRSAC includes the requirements as specified in the SEBI Listing Regulations and the Act, from time to time.

During FY ended March 31, 2026, 10 complaints were received from the Investors/ Members. All the 10 complaints were resolved during the year. Status of the complaints received, disposed-off and pending on quarterly basis has been reported to the Board along with matters relating to the 'Shares' of the Company.

During the year, one meeting of SRSAC was held on March 16, 2026 which was attended by all the members of the Committee.

## 7. RISK MANAGEMENT & ESG COMMITTEE

During the year under review, there was change in the composition of the Risk Management & ESG Committee ('RMC') and the revised composition of the Committee is as under:-

- Ms. Bhumika Batra, Independent Director – Chairperson
- Mr. Pradeep Udhas, Independent Director – Member
- Mr. Amit Saharia, Non-Executive, Non-Independent Director – Member

During FY 2025-26, Mr. Partha DeSarkar and Mr. Sudhanshu Tripathi ceased to be the members of Risk Management & ESG Committee.

The terms of reference of this Committee are as follows:

**a. For Risk Management**

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

   a. A framework for identification of internal and external risks specifically faced by the organization, including Strategic, Operational, Regulatory and Compliance, Financial, Counterparty, sustainability (particularly, ESG related risks), information, cyber security risks, multiple regulatory risks, leadership continuity risk 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.

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

iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

iv. To periodically review the risk management policy, at least once in two (2) years, including by considering the changing industry dynamics and evolving complexity;

v. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

vi. The appointment, removal and terms of remuneration of the Chief Risk Officer, if any, shall be subject to review by the Committee. The Committee to recommend the appointment, removal and terms of remuneration of the Chief Risk Officer to Nomination & Remuneration Committee.

**b. ESG function**

i. As recommended by the Management, review current and emerging ESG trends, issues, and public debates to ensure the Company's ESG strategy remains well positioned.

ii. Have oversight of the Company's ESG strategy, providing direction for adapting and refining its objectives and pillar workstreams and enable the Board oversight.

iii. Review the Company's policies and practices relating to ESG matters to ensure that they remain relevant, effective, reflective of best practice and compliant with legal and regulatory requirements and chosen international standards.

iv. To set appropriate strategic goals, as well as shorter term KPI's and associated targets related to ESG matters and oversee the ongoing measurement and reporting of performance against those KPI's and targets.

v. Review opportunities to partner with external third-party organisations on specific issues.

vi. Formulating and recommending to the Board, an Annual Action Plan for the Company and having an oversight on its implementation.

vii. Recommending the amount of expenditure to be incurred on CSR activities.

viii. Enable Board oversight on significant sustainability (ESG) related policies, strategies and activities of the Company in a manner that integrates environmental, social and ethical principles with the conduct of business.

ix. Provide vision and guidance to the Management to ensure that all long-term business proposals made to the Board are assessed through the lens of Social, Environment, Safety, Health, and reputational implications – including governance and associated risks and opportunities.

x. Guide the Management in ensuring stakeholder engagement and materiality analysis based on key sustainability issues.

xi. Guide the management in formulating a comprehensive sustainability strategy for the company; define appropriate goals, targets, KPIs, action plans and investments. Play an active role in recommending and periodically reviewing achievement vis-à-vis above strategy.

xii. Review and recommend sustainability / ESG disclosures by the Company in line with global reporting frameworks.

xiii. Review sustainability reporting mechanisms, oversee compliance with ESG/ sustainability disclosure requirements (including Business Responsibility Reporting), review and approve annual disclosures relating to the company's sustainability activities and performance, ensuring the quality of communication and data.

xiv. Review and suggest strategies to the management to develop internal competencies, inspire employees and suppliers' engagement and culture for responsible and sustainable business.

xv. Review the potential business implications of Sustainability / ESG performance vis-à-vis corporate relations & brand perception, execution of ESG function and monitor the same.

The Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board. Further, the terms of reference of Committee includes the requirements as specified in the SEBI Listing Regulations/ the Act, from time to time.

- **Meetings**

During FY ended March 31, 2026, 2 (two) meetings of the RMC were held on July 18, 2025 and January 07, 2026.

**Attendance**

| Name of the Member | No. of Meetings attended |
|---|---|
| Ms. Bhumika Batra, Chairperson | 2 |
| Mr. Pradeep Udhas, Member | 2 |
| Mr. Amit Saharia, Member@ | 1 |

@ Inducted as a member of the Risk Management & ESG Committee during FY 2025-26.

**Note:** Each of Mr. Sudhanshu Tripathi and Mr. Partha DeSarkar have attended 1 meeting of RMC during FY 2025-26 before their cessation as the members of the Committee.

## 8. GENERAL BODY MEETINGS

Details of location, date and time of holding the last three AGMs:

| AGM | Date | Time | Venue |
|---|---|---|---|
| 28th | September 27, 2023 | 04:00 p.m. | Through Video Conferencing / Other Audiovisual means |
| 29th | September 27, 2024 | 04:00 p.m. | Through Video Conferencing / Other Audiovisual means |
| 30th | September 25, 2025 | 04:00 p.m. | Through Video Conferencing / Other Audiovisual means |

- No extraordinary general meeting of the members was held during the FY 2025-26.
- During FY 2025-26, the Company has conducted one postal ballot.

**Special Resolutions passed during last 3 years:**

- One Special Resolution was passed during the year ended March 31, 2026 through postal ballot notice dated November 10, 2025.
- No Special Resolution was passed by the Members at the AGM of the Company held on September 25, 2025.
- One Special Resolution was passed during the year ended March 31, 2025 through postal ballot notice dated February 14, 2025.
- Four Special Resolutions were passed in the AGM of the Company held on September 27, 2024.
- Two Special Resolutions were passed during the year ended March 31, 2024 through Postal Ballot Notice dated February 14, 2024.
- No Special Resolution was passed by the Members at the AGM of the Company held on September 27, 2023.

During FY 2025-26, to conduct the Postal Ballot through e-voting process in a fair and transparent manner, the Board of Directors had appointed Mr. Virendra Bhatt, Practicing Company Secretary, Mumbai, (Membership No.: ACS 1157 and C. P. No. 124) as Scrutinizer in the meeting on November 10, 2025 for the following matter:-

- **Approval for re-appointment of Mr. Vynsley Fernandes (DIN: 02987818), Whole-Time Director of the Company and fixation of remuneration**

The details of Voting pattern of above Special Resolution are as under:

| Particulars | No. of members who voted | No. of votes cast by them | %age |
|---|---|---|---|
| Votes cast in favour of the resolution | 253 | 2,48,38,913 | 98.9476 |
| Votes cast against the resolution | 52 | 2,64,179 | 1.0524 |

The special resolution was passed with requisite majority on December 26, 2025.

- At present, there is no immediate proposal for any Special Resolution to be conducted through Postal Ballot.
- Postal Ballot, whenever conducted, will be carried out as per the procedure stipulated in Rule 22 of the Companies (Management and Administration) Rules, 2014 including any amendment thereof.

## 9. DISCLOSURES

A. Transactions entered into with the Related parties, as defined under the Act and Regulation 23 of the SEBI Listing Regulations during FY ended March 31, 2026, were ‘in the ordinary course of business' and on 'arm's length basis and did not attract provisions of Section 188 of the Act. There were no material significant related party transactions during the year ended March 31, 2026 that may have a potential conflict with the interests of the Company at large. Related party transactions have been disclosed in Note 43 to the standalone financial statements and in Note 45 to the consolidated financial statements. The Company has in place a policy on dealing with Related Party Transactions and on Materiality of Related Party Transactions which is available on the website of the Company at https://hgs.com/wp-content/uploads/2023/08/Regulation-30-of-SEBI-Listing-Obligations-Regulations-Policy-on-Materiality.pdf

B. There have been no instances of non-compliance by your Company on any matter related to the capital markets, nor has any penalty/stricture been imposed on your Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during last three years.

However, pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has filed the Annual Secretarial Compliance Report ('ASCR') for the year ended March 31, 2025, with BSE and NSE on May 23, 2025, in pdf mode. The Company has also prepared XBRL/ XML file of said ASCR and filed the same with only NSE in requisite XBRL/ XML mode on May 23, 2025 assuming that the same is covered under single filing system through API based integration between NSE and BSE. Consequently, the Company has paid Rs. 60,000 to BSE Limited for delayed submission of said ASCR in XBRL mode.

C. Your Company has a Whistle Blower Policy and Vigil Mechanism for Directors and employees, *inter-alia,* to report unethical conduct. No personnel have been denied access to the Ombudsman or Chairman of the Audit Committee of your Company to report any matter of substance. Quarterly Report on Whistle Blower Policy and Vigil Mechanism is placed before the meetings of the Audit Committee and the Board. No complaint was received under the Policy during the year ended March 31, 2026. The said policy is available on the website of the Company at https://hgs.com/wp-content/uploads/2024/06/HGS-Whistle-Blower-Policy-and-Vigil-Mechanism_0.pdf

D. Your Company has complied with all the mandatory requirements of Corporate Governance as stipulated under the SEBI Listing Regulations.

E. The details of 'Loans and advances' by the Company and its subsidiaries have been disclosed in Note 13 to the standalone financial statements and in Note 14 to the consolidated financial statements.

**Adoption/Non-adoption of the non-mandatory requirements of Schedule II of the SEBI Listing Regulations:**

The discretionary requirements as stipulated in part E of Schedule II of the SEBI Listing Regulations have been adopted to the extent and in the manner stated as under:

- The Board: The Non-Executive, Non-Independent Chairman does not have a separate office maintained by the Company.
- Shareholder Rights: Your Company publishes its quarterly unaudited and yearly audited financial results in the newspapers and also displays it on its website at https:// hgs.com/investors/.
- Opinion(s) in Audit Report: Audit Reports (Standalone and Consolidated Financial Statements) for FY ended March 31, 2026 are unmodified/ unqualified. Your Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.
- Separate posts of Chairman and the CEO: There is separate post of the Chairman and the CEO in the Company.
- Reporting of Internal Auditor: Internal Auditor reports are placed before the Audit Committee.

**F. CEO/CFO Certification**

A certificate from the CEO and the CFO in terms of Regulation 17(8) of the SEBI Listing Regulations was placed before the Board on May 29, 2026 to approve the financial statements for the year ended March 31, 2026.

G. During the year ended March 31, 2026, the Company does not have any material listed Indian subsidiary company. The Company has a policy for determining 'material subsidiaries' which is available on the Company's website at https://hgs.com/wp-content/uploads/2024/06/2019-04-05-policy-for-determining-material-subsidiary.pdf

H. Disclosure of commodity price risks and commodity hedging activities: Not applicable, since your Company is not in the business of commodity manufacturing/ trading.

I. A Certificate has been received from Mr. Virendra Bhatt, Practicing Company Secretary, Mumbai, (Membership No.: ACS 1157 and C. P. No. 124) that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies, by the Securities & Exchange Board of India and Ministry of Corporate Affairs or any such Statutory Authorities. A copy of the certificate is Annexed to this Report.

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

| | |
|---|---|
| Number of complaints pending as on March 31, 2025 | Nil |
| Number of complaints received during the year April 2025 to March 2026 | 2 |
| Number of complaints disposed of during the year April 2025 to March 2026 | 2 |
| Number of complaints withdrawn during the year April 2025 to March 2026 | Nil |
| Number of complaints pending as on March 31, 2026 | Nil |

K. The Company has complied with all the requirements specified in Regulation 17 to Regulation 27 and Clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations for FY ended March 31, 2026.

L. During the year under review, your Company has not raised fund through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI Listing Regulations.

## 10. MEANS OF COMMUNICATION

The Company announces its financial results in a timely manner and submits it to the Stock Exchanges.

The quarterly, half-yearly and annual results are published in leading newspapers (Business Standard/ Financial Express, Sakal/ Navshakti). The results are simultaneously displayed on the Company's website at https://hgs.com/investors/newspaper-publications/.

Once quarterly results are announced, the Company organizes Earning calls with the analyst community and brief about results and performance of the Company and respond to their queries.

The Transcripts along with Audio recordings of these calls are intimated to Stock Exchanges and also hosted on the Company's website.

In terms of the applicable requirement, the Annual Report and other requisite documents are sent to the Shareholders. The website is updated regularly with the official news releases, presentations made to Investors / Analysts and disclosures as required from time to time.

Report on Management Discussion and Analysis is given as an **Annexure 'D'** to the Directors' Report.

## 11. GENERAL SHAREHOLDER INFORMATION

| Sl. No. | Particulars | Details |
|---|---|---|
| 1 | **Next Annual General Meeting (31st AGM)** | |
| | Day and Date | Friday, September 25, 2026 |
| | Time | 5.00 pm IST |
| | Venue | The Company is conducting AGM through VC pursuant to the MCA Circular dated September 22, 2025 and as such there is no requirement to have a venue for AGM. For details, please refer to Notice of 31st AGM. |
| | Financial Year | April 01 to March 31 |
| 2 | **Financial Calendar for 2026-27 (Tentative)** | |
| | Unaudited results for the quarter ended June 30, 2026 | On August 7, 2026 |
| | Unaudited results for the quarter / half year ending September 30, 2026 | On or before November 14, 2026 |
| | Unaudited results for the quarter/ nine months ending December 31, 2026 | On or before February 14, 2027 |
| | Audited results for the year ending March 31, 2027 | On or before May 30, 2027 |
| 3 | **Book Closure Date** | Saturday, September 19, 2026 to<br>Monday, September 21, 2026 (both days inclusive)<br>[i.e. September 18, 2026 is the Record date for the purpose of determining the members eligible to receive dividend for FY 2025-26.] |

| Sl. No. | Particulars | Details |
|---|---|---|
| 4 | **Dividend payment date for FY 2025-26** | Within 30 days from the date of AGM |
| 5 | **Listing of Equity Shares** | **BSE Limited (BSE)**<br>P.J. Towers, Dalal Street, Mumbai - 400 001<br>**National Stock Exchange of India Limited (NSE)**<br>Exchange Plaza, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 |
| 6 | **Stock Code** | BSE: 532859<br>NSE: HGS |
| 7 | **ISIN** | INE170I01016 |
| 8 | **CIN** | L92199MH1995PLC084610 |

**Note:** Annual Listing fee for FY 2025-26 has been paid to BSE and NSE.

## 12. SHARES RELATED INFORMATION

### • STOCK MARKET DATA

| Month | BSE | | NSE | |
|---|---|---|---|---|
| | Month's High (₹) | Month's Low (₹) | Month's High (₹) | Month's Low (₹) |
| Apr-25 | 525 | 436.05 | 528.3 | 437 |
| May-25 | 548.7 | 465 | 552.55 | 464.3 |
| Jun-25 | 569 | 502.45 | 569.6 | 502.05 |
| Jul-25 | 628.8 | 540.9 | 628.7 | 540.75 |
| Aug-25 | 607 | 508.55 | 610.1 | 510.2 |
| Sep-25 | 540 | 485.85 | 546.35 | 484.75 |
| Oct-25 | 550.45 | 485.5 | 545 | 485.1 |
| Nov-25 | 526.45 | 476.7 | 526.9 | 475 |
| Dec-25 | 489.6 | 431.35 | 489.6 | 431.35 |
| Jan-26 | 464.9 | 396 | 461.05 | 394 |
| Feb-26 | 432 | 372.7 | 431 | 372.35 |
| Mar-26 | 406 | 341.6 | 408 | 342.05 |

### • SHARE PRICE MOVEMENT (BSE)

Your Company's closing share price movement on the BSE relative to BSE Sensex closing prices (April 2025 to March 2026)


### • SHARE PRICE MOVEMENT (NSE)

Your Company's closing share price movement on the NSE relative to NSE Nifty closing prices (April, 2025 to March, 2026)

The securities of the Company have never been suspended from trading.


### • REGISTRAR AND SHARE TRANSFER AGENT ('R&T Agent')

Members are requested to communicate with the R&T Agent at the following address:

KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500 032

Toll Free No.: 1-800-309-4001

E-Mail: einward.ris@kfintech.com

CIN: L72400MH2017PLC444072

Website: https://www.kfintech.com and / or https:// ris.kfintech.com/

### • SHARE TRANSFER SYSTEM

Your Company's equity shares are compulsorily traded in dematerialized form. As on March 31, 2026, 4,64,68,193 equity shares, i.e. about 99.89% of your Company's equity shares are in dematerialized form.

During FY ended March 31, 2026, no proposals for transfer of equity shares were received or approved or pending approval at the year end.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular

No. SEBI/HO/MIRSD_RTAMB/P/ CIR/2022/8 dated January 24, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processing the service request for issue of duplicate securities certificates, renewal/ exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of folios, transmission and transposition.

In view of this, shareholders are requested to take action for dematerialization of equity shares of the Company.

- **SPECIAL WINDOW FOR RE-LODGEMENT OF TRANSFER REQUESTS OF PHYSICAL SHARES**

The Securities and Exchange Board of India ('SEBI') vide circular no. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, has provided another special window for transfer and dematerialisation of physical securities, including re-lodgement of transfer deeds were lodged prior to the deadline of April 01, 2019 and rejected/ returned/ not attended due to deficiency in the documents/ process/ or otherwise. The special window shall remain open for a period of one year from February 05, 2026 to February 04, 2027, in order to facilitate ease of investing for investors and to secure the rights of investors in the securities which were purchased by them. During this period, the securities that are re-lodged for transfer shall be issued only in demat mode after following due process for such transfer-cum-demat requests and shall remain under lock-in for a period of one year from the date of registration of transfer.

In terms of the said Circular, HGS has also been publishing the requisite notices in newspapers from time to time.

In view of this, the concerned investors are requested to re-lodge the transfer request of physical shares, to our Registrar and Share Transfer Agent (RTA), KFin Technologies Limited. Relevant investors are encouraged to take advantage of this one-time window.

- **PREVENTION OF INSIDER TRADING CODE**

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), your Company has in place the Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons (Code). The said Code lays down guidelines which provide for the procedure to be followed and disclosures while dealing with shares of the Company and while sharing Unpublished Price Sensitive Information (UPSI). The Code also includes obligation of Designated Persons, mechanism for prevention of insider trading and handling of UPSI. Further, the Company has complied with the standardised reporting of violations related to the code of conduct under PIT Regulations. The Company has also in place its Code of practices and procedures of fair disclosure of unpublished price sensitive information along with policy for determination of legitimate purposes, institutional mechanism for prevention of insider trading and policy for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information. The Company has also maintained a Structured Digital Database in accordance with the requirements of the PIT Regulations.

- **COMMON AND SIMPLIFIED NORMS FOR UPDATION OF PAN AND KYC DETAILS**

SEBI, vide Master Circular dated June 23, 2025, as amended, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024.

Effective April 1, 2024, shareholders are not eligible to receive dividend payments in physical mode.

In view of the above, shareholders holding shares in physical form are therefore requested to provide following Forms for updation of their signatures, PAN, Nomination as the case may be. The said Forms can be downloaded from the website of the Company https://hgs.com/investors/kyc-documents/ under Investor section:

| | | |
|---|---|---|
| (i) | Form ISR-1 | PAN and KYC details |
| (ii) | Form ISR-2 | Updation of signature |
| (iii) | Form ISR-3 | Declaration for opting out of Nomination |
| (iv) | Form SH-13 | Nomination Form |
| (v) | Form SH-14 | Cancellation / variation of Nomination |

In accordance with the above SEBI circulars, the Company have been sending communication along with the said forms to all the shareholders holding shares in physical form requesting for updating their KYC details. Further, the Company had also sent a reminder on June 11, 2026 along with the aforesaid forms to the Shareholders who have not yet updated their KYC details.

**Shareholding Pattern as on March 31, 2026**

| Particulars | No. of equity shares held | % of Shareholding |
|---|---|---|
| Promoter and Promoter Group<br>a) Domestic<br>b) Overseas Corporate Body | 2,50,97,977<br>65,29,371 | 53.95<br>14.04 |
| Foreign Portfolio Investors | 54,74,459 | 11.77 |
| NRIs/ OCBs/ Non-Domestic Companies | 3,35,616 | 0.72 |
| Mutual Funds, Banks, Financial Institutions, Insurance Companies, Central Government | 27,143 | 0.06 |
| Corporate Bodies | 13,67,220 | 2.94 |
| Individuals/ Others | 76,54,708 | 16.45 |
| IEPF* | 33,791 | 0.07 |
| **Total** | **4,65,20,285** | **100.00** |

*Represents equity shares transferred to IEPF.

**Distribution Schedule of shareholding as on March 31, 2026**

| Sl. No. | Category (Shares) | No. of holders | % to holders | No. of Shares | % to Equity |
|---|---|---|---|---|---|
| 1 | 1 - 500 | 58,982 | 96.68 | 28,12,853 | 6.04 |
| 2 | 501 - 1000 | 1,013 | 1.66 | 7,29,816 | 1.57 |
| 3 | 1001 - 2000 | 523 | 0.86 | 7,53,346 | 1.62 |
| 4 | 2001 - 3000 | 150 | 0.25 | 3,69,874 | 0.79 |
| 5 | 3001 - 4000 | 80 | 0.13 | 2,78,155 | 0.60 |
| 6 | 4001 - 5000 | 52 | 0.08 | 2,40,325 | 0.52 |
| 7 | 5001 - 10000 | 104 | 0.17 | 7,39,092 | 1.59 |
| 8 | 10001 and above | 102 | 0.17 | 4,05,96,824 | 87.27 |
| | **TOTAL:** | **61,006** | **100** | **4,65,20,285** | **100** |

The Company has not issued any ADRs/ GDRs/ Warrants or any convertible instruments in the past. Hence, as on March 31, 2026, there are no outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

Mr. Virendra G. Bhatt, Practicing Company Secretary, carries out Share Capital Audit on a quarterly basis to reconcile the total admitted equity share capital with National Securities Depository Limited ('NSDL'),Central Depository Services (India) Limited ('CDSL') and held in Physical form with the total issued and listed equity share capital. All the share capital audit reports issued in respect of FY ended March 31, 2026 confirm that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**Plant Locations:** Not applicable, since the Company is in the Service Sector.

- **Transfer of unclaimed dividend**

  Pursuant to Sections 124 and 125 of the Act and other applicable provisions, as amended, unclaimed dividend for FY 2017-18 (Final dividend), 1st interim dividend for FY 2018-19, 2nd interim dividend for FY 2018-19 and 3rd interim dividend for FY 2018-19 which remained unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company were transferred to the IEPF:

| Unclaimed Dividend for | No. of Shareholders | Amount in ₹ | Date of Transfer to IEPF |
|---|---|---|---|
| 1st interim dividend for FY 2018-19 | 475 | 90,173 | 14-09-2025 |
| FY 2017-18 (Final dividend) | 550 | 1,08,463 | 04-11-2025 |
| 2nd interim dividend for FY 2018-19 | 524 | 81,915 | 08-12-2025 |
| 3rd interim dividend for FY 2018-19 | 436 | 69,660 | 15-03-2026 |
| Total | **1,985** | **3,50,211** | |

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2026 on the website of the Company at https://hgs.com/investors/, and also on the website of the Ministry of Corporate Affairs www.mca. gov.in.

- **Transfer of equity shares**

  Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('Rules') shares, in respect of which dividend has not been encashed or claimed for a period of seven consecutive years, are required to be transferred by the Company in the name of the IEPF in accordance with the aforesaid Rules.

During FY 2025-26, 1,648 equity shares, in respect of which dividend had not been claimed for a period of seven consecutive years, were transferred to IEPF as under:

| Description | No. of share holders | No. of shares Transferred to IEPF | Date of Corporate action for transfer of shares to IEPF |
|---|---|---|---|
| FY 2017-18 (Final dividend) | 3 | 62 | 18-11-2025 |
| 1st interim dividend for FY 2018-19 | 10 | 651 | 09-10-2025 |
| 2nd interim dividend for FY 2018-19 | 7 | 454 | 05-01-2026 |
| 3rd interim dividend for FY 2018-19# | 7 | 481 | 26-03-2026 |
| **Total** | **27** | **1,648** | |

The details of shares so transferred are placed on the website of the Company at https://hgs.com/investors/ any claimant of such shares shall be entitled to claim the transferred shares from IEPF in accordance with the procedure laid down in the aforesaid Rules.

## 13. OTHER INFORMATION

- **Credit rating of the Company**

  The Company has a long-term rating of Crisil A/ short-term rating of CRISIL A1.

- **Total fees paid by the Company and its subsidiaries, for all services on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:**

(₹ in Mn)

| Payment to Statutory Auditors | FY 2025-26 |
|---|---|
| Audit Fees including quarterly fees | 27 |
| Tax Audit Fees | - |
| Other Services | 4.6 |
| **Total** | **31.6** |

Note: Reimbursement of expenses were at actuals.

- **Foreign Exchange Risk and Hedging Activities**

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency fluctuations, primarily with respect to USD, GBP, CAD, JMD, PHP, AUD, COP and ZAR. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the functional currency cash flows of highly probable forecast transactions.

The Company's risk management policy is to hedge the forecasted foreign currency inflows for each financial year (upto 75% for 1st year, 40% for 2nd year and 20% for 3rd year).

The Company has foreign currency payables primarily related to the media business in US dollars. As per the policy, these payables are hedged upto 100% in each financial year.

The Company's risk management is carried out by the finance department under direction of the Board of Directors. The Company's finance department identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship. The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated. The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, within other gains/(losses). When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.

Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

- **Interest Rate Risk and hedging activity**

  Effective December 31, 2021, the Financial Conduct Authority of UK (FCA) has mandated cessation of publication and utilisation of LIBOR by Banks and Financial Institutions. From July 01, 2023 overnight risk-free rates (RFR) and (SONIA, SOFR) rates has been introduced replacing LIBOR. The Company has taken an interest rate swap (SOFR linked interest rate to fixed interest rate) on a loan of USD 49 Million.

- **Consolidated Bank Debt**

  As at March 31, 2026, the Company on consolidated basis has Working Capital Loans of ₹ 3,454 million and Term Loans of ₹ 6,804 million aggregating to ₹ 10,258 million.

## 14. ADDRESS FOR CORRESPONDENCE WITH THE COMPANY

Queries relating to operational and financial performance of your Company may be addressed to:

**Mr. Mahesh Kumar Nutalapati, Global CFO**

Address: 1st Floor, Gold Hill Square Software Park, No. 690, Bommanahalli, Hosur Road,
Bangalore - 560 068. Tel: +91- 80 4643 1000

Members may address queries relating to shares and related matters to:

**Mr. Narendra Singh, Company Secretary**
Tower C (1st Floor), Plot C-21, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051.
Telephone: +91-22-6136 0407
E-mail: investor.relations@hgs.com

**R&T Agent of the Company**
KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad, Telangana - 500 032
Toll Free No.: 1-800-309-4001
E-Mail: einward.ris@kfintech.com

As a support to 'Green Revolution' (saving of papers), Members are requested to register their email address with the Company's RTA at einward.ris@kfintech.com to enable the Company to send notices, documents, communications, Annual Reports, etc. through email and also advice any changes in their RTA/ respective Depository Participants.

**For and on behalf of the Board of Directors**
**Ashok P. Hinduja**
**Chairman**
**DIN: 00123180**

**Place: Mumbai**
**Date : August 7, 2026**

[This report is to be read with "Practicing Company Secretary's Certificate on Corporate Governance" and "Certificate of non-disqualification of directors", which are annexed hereunder and forms an integral part of this report.]

## CERTIFICATE OF CORPORATE GOVERNANCE

**To,**

**The Members of Hinduja Global Solutions Limited,**

I have examined the compliance of Corporate Governance by **Hinduja Global Solutions Limited** ('the Company') for the Financial year ended 31st March, 2026, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations for the financial year ended 31st March, 2026.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations. It is neither an audit nor an expression of Corporate Governance as stipulated in the SEBI Listing Regulations, as applicable.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, as applicable.

I further state that such compliance is neither an assurance to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Virendra G Bhatt**
**Practicing Company Secretary**
**ACS No: 1157 / COP No: 124**
**Peer Review Cert. No.:6489/2025**

**Date: August 7, 2026**
**Place: Mumbai**
**UDIN: A001157H001131759**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

**To,**
**The Members of**
**Hinduja Global Solutions Limited**
**Tower C, 1st Floor, Plot C-21, G Block,**
**Bandra Kurla Complex, Bandra (East),**
**Mumbai, Bandra, Maharashtra, India, 400051**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hinduja Global Solutions Limited (hereinafter referred to as "the Company"), having CIN: L92199MH1995PLC084610 and having registered office at Tower C, 1st Floor, Plot C-21, G Block, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India, 400051, produced before me 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.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2026 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs:

| Sr. No. | Name of the Directors | DIN | Date of appointment in Company |
|---|---|---|---|
| 1 | Bhumika Batra | 03502004 | 04/09/2019 |
| 2 | Ganesh Natarajan | 00176393 | 30/09/2019 |
| 3 | Vynsley Fernandes | 02987818 | 14/11/2022 |
| 4 | Ashok Parmanand Hinduja | 00123180 | 19/12/2022 |
| 5 | Munesh Narinder Khanna | 00202521 | 19/12/2022 |
| 6 | Pradeep Udhas | 02207112 | 25/08/2022 |
| 7 | Amit Saharia | 10652099 | 25/09/2025 |

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

**For Virendra G. Bhatt**
**Practicing Company Secretary**
**ACS No.: 1157 / COP No.: 124**
**Peer Review Cert. No.: 6489/ 2025**

**Date: 05th June, 2026**
**Place: Mumbai**
**UDIN: A001157H000584333**

## Annexure 'D' to the Directors' Report

# MANAGEMENT DISCUSSION & ANALYSIS REPORT

### Overview

The financial statements and the associated notes to accounts for the financial year ended March 31, 2026 ('FY 2026') have been prepared in compliance and the requirements of the Companies Act, 2013 (the Act), and other related and associated guidelines issued by the Securities and Exchange Board of India (SEBI), along with the generally accepted accounting norms, under Indian Accounting Standards (Ind-AS) reporting format, and co-opting all the amendments and revisions from time to time. HGS's management accepts responsibility for the integrity and objectivity of these financial statements as well as for the various other estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect truly and fairly, to capture the form and substance of the transactions and reasonably present your Company's state of affairs, profits and cash flows of the year.

### Global Macroeconomic Environment

The global economy demonstrated resilience during 2025 despite persistent geopolitical uncertainties, elevated interest rates in several advanced economies and evolving trade dynamics. However, growth remained moderate compared with the post-pandemic recovery phase as economies adjusted to tighter financial conditions and heightened geopolitical risks. According to the International Monetary Fund (IMF), global economic growth remained broadly stable in 2025, with an average global GDP growth of 3.2%.

Today, the global economy is being shaped by two opposing forces: the disruption caused by the conflict in the Middle East and the growth momentum generated by rapid advances in AI and technology adoption. The IMF projects global growth at 3.0% in 2026 and 3.4% in 2027, reflecting a modest slowdown from recent years but remaining broadly stable overall. It notes that higher energy prices and ongoing geopolitical uncertainty are expected to keep inflation elevated, with global inflation rising to 4.7% in 2026 before easing in 2027. At the same time, countries that are closely integrated into the global technology value chain are benefiting from strong demand linked to AI, semiconductors, and digital infrastructure.

EY opines that the world is moving into a new economic paradigm shaped by supply-side disruptions rather than traditional demand-driven cycles. Its recent report identifies several interconnected challenges, including geopolitical conflicts, energy security concerns, industrial policy shifts, demographic pressures, and trade uncertainty. These factors are increasing the cost of doing business, reducing efficiency, and contributing to persistent inflationary pressures. At the same time, organizations are navigating a more fragmented global landscape marked by diverging regional growth patterns and monetary policies. Despite these headwinds, EY sees opportunity in the accelerating adoption of AI and other productivity-enhancing technologies. Companies that invest in resilience, operational agility, digital transformation, and AI-led productivity improvements are likely to be better positioned to navigate uncertainty and capture growth opportunities in an increasingly complex global environment.

The OECD expects growth to remain uneven across regions, with emerging economies continuing to outperform advanced economies.

One of the defining themes of the global economy during 2025 and 2026 has been the rapid acceleration of Artificial Intelligence adoption. Enterprises across industries have moved beyond experimentation toward scaled implementation of Generative AI, Agentic AI and workflow automation solutions. In fact, global enterprise technology spending continues to demonstrate resilience despite macroeconomic uncertainty. Organizations are prioritizing investments that deliver operational efficiency, revenue enhancement and customer retention.

*(Source: IMF World Economic Outlook, OECD Economic Outlook, EY)*

### ECONOMIES WHERE HGS OPERATES

### India

India continues to stand out as one of the world's fastest-growing major economies, demonstrating resilience amid global economic uncertainty. Strong domestic demand, public infrastructure investments, rapid digital adoption, and favorable demographics have supported robust economic activity. India's GDP growth is estimated at 7.4% in FY2026, while institutions such as the OECD and Asian Development Bank (ADB) project growth of around 6.3–6.9% over the next two years, keeping the country among the fastest-growing large economies globally.

A key strength of the Indian economy is its broad-based growth. Domestic consumption, which accounts for more than 61% of GDP, continues to be a major growth driver. Easing inflation, lower interest rates, tax relief measures, rising employment, and the expansion of the urban middle class are expected to sustain consumer spending momentum. India also experienced a rare "high-growth, low-inflation" phase in 2025 - The Economic Survey 2025-26 called it the 'Goldilocks' phase - while unemployment declined and labour force participation improved.

India's capital markets have remained resilient despite periodic global volatility. Strong participation from domestic investors, coupled with renewed foreign portfolio inflows, has strengthened India's position as a preferred long-term investment destination. The country's financial system has also remained robust, supported by improved bank asset quality and healthy liquidity conditions.

The digital economy is emerging as another powerful growth engine. Expanding internet penetration, broadband adoption, UPI-led digital payments, AI and cloud adoption, government-led digitalization, and investments in 5G and fiber infrastructure are accelerating India's transformation. This is complemented by a highly skilled digital workforce, strong AI capabilities, and more than 1,700 Global Capability Centers (GCCs), reinforcing India's role as a global hub for innovation, technology services, and high-value exports.

*(Source: Economic Survey 2025-26, OECD, Asian Development Bank, Deloitte).*

### United States

The US economy remained resilient over the past year, supported by strong consumer spending, rising real wages, a robust labor market, and buoyant equity markets. However, this growth was accompanied by considerable uncertainty, including the introduction of broad-based tariffs, mounting fiscal pressures, and persistent concerns around the cost of living.

Looking ahead, economic growth is expected to remain positive but moderate. Key factors shaping the outlook include Federal Reserve interest rate decisions, labor market dynamics, affordability pressures in areas such as healthcare and energy, and the evolving impact of artificial intelligence on productivity and employment.

AI continues to be a major pillar of US economic strength. Significant investment in AI over the past two years has reinforced the country's leadership in technology and digital platforms, while accelerating productivity growth across industries. AI-related investment is expected to remain an important driver of economic activity through 2026 and beyond.

At the same time, higher energy prices, elevated interest rates, and moderating wage growth are likely to weigh on household purchasing power and consumer spending. Although the US remains the world's largest oil producer, rising oil prices are expected to have a net negative effect on growth due to their impact on inflation and consumption.

Overall, the US economy is projected to remain on a healthy growth trajectory, with real GDP expected to expand by around 2.0% in 2026 before easing to 1.8% in 2027 as consumer spending normalizes and the pace of AI-driven investment gradually moderates.

*(Source: Deloitte, The Conference Board, JP Morgan, Stanford Institute for Economic Policy Research (SIEPR))*

### Canada

The Canadian economy is gradually recovering after a year of weak growth, though uncertainty remains elevated. Economic activity has been affected by US trade measures, slower population growth and a softer housing market, but growth is now showing signs of improvement.

GDP growth is expected to strengthen through the second half of 2026 and stabilize at around 1.8% in 2027 and 2028, supported by consumer spending, government expenditure, a recovery in exports, and modest improvements in business and residential investment. Inflation rose to 3.2% in May 2026, largely driven by higher oil and gasoline prices following the conflict in the Middle East. However, core inflation remains close to the Bank's 2% target, and inflation is expected to ease to about 2.5% later this year and return to target by early 2027.

Canada's business environment continues to be supported by investments in digital transformation, including cloud modernization, cybersecurity, AI and customer experience technologies. Financial services, telecommunications and public sector organizations are accelerating digital initiatives to improve customer engagement, operational efficiency, and regulatory compliance. The broader outlook is also supported by rising AI-related investment globally, which is helping drive productivity growth and innovation.

*(Source: Bank of Canada)*

### United Kingdom

The UK economy has remained resilient but subdued through 2025 and 2026, navigating a challenging environment marked by geopolitical uncertainty, high energy costs, fiscal pressures and weak productivity growth. The economy expanded by 1.3% in 2025 and recorded a stronger-than-expected 0.6% growth in Q1 2026, driven largely by the services sector. However, consumer spending and business investment continue to face headwinds from elevated interest rates, inflationary pressures and economic uncertainty.

The conflict in the Middle East has further complicated the outlook by disrupting global energy supplies and pushing up energy costs. EY recently revised its UK GDP growth forecast for 2026 down to 0.8%, with a modest recovery to 1.2% in 2027. Inflation is expected to exceed 4% by the end of 2026, delaying interest rate cuts and weighing on household spending and business confidence.

Beyond cyclical pressures, the UK faces longer-term structural challenges, including high public debt, rising healthcare and pension costs, regional productivity disparities and energy security concerns. Policymakers are focused on fiscal discipline, productivity-enhancing investments, pension reform, and accelerating the energy transition to reduce exposure to volatile fossil fuel prices.

Overall, while near-term growth is expected to remain modest, continued structural reforms, improved energy resilience and targeted investment in skills, infrastructure and innovation should support a gradual recovery and strengthen the UK's long-term economic competitiveness.

*(Source: Office for National Statistics (ONS), OECD, EY, Media)*

### Philippines

The Philippines' economy remained resilient in 2025 and 2026, although growth moderated amid global uncertainty, weaker investment flows and external headwinds. Supported by strong domestic consumption, remittances and a thriving services sector, the country continued to rank among Southeast Asia's faster-growing economies.

According to the Philippine Statistics Authority, GDP grew by 2.8% in the first quarter of 2026, with growth driven primarily by wholesale and retail trade, financial services and public administration. The services sector expanded by 4.5%, while household consumption grew by 3.0% and exports increased by 7.8%. At the same time, investment activity weakened, with gross capital formation declining 3.3%, reflecting a more cautious business environment.

A key challenge for the economy has been weaker foreign direct investment (FDI). Rising geopolitical tensions, global trade uncertainty and financial market volatility have dampened investor sentiment, leading to a sharp decline in FDI inflows during 2026. While foreign investors continue to show interest in sectors such as manufacturing, financial services and real estate, overall investment levels remain subdued.

Despite these near-term pressures, the Philippines' long-term outlook remains constructive. Continued growth in the services sector, digital infrastructure improvements, a large skilled workforce and the ongoing evolution of its IT-BPM industry toward higher-value digital and AI-enabled services are expected to support economic growth and competitiveness in the years ahead.

*(Source: Philippine Statistics Authority, Asian Development Bank, Media)*

### Jamaica

Jamaica's economy has faced significant challenges following the devastating impact of Hurricane Melissa in late 2025, which caused an estimated US$12.5 billion in damages and losses, equivalent to about 60% of GDP. After contracting by 0.4% in 2025, the economy is expected to shrink by a further 1.0–1.2% in 2026, with agriculture, tourism, mining and infrastructure among the hardest-hit sectors.

Despite these setbacks, Jamaica has demonstrated resilience. Consumer spending has remained relatively stable, unemployment has risen only modestly from 3.3% to around 3.7%, and confidence in the country's fiscal management has largely been maintained. However, inflation is expected to increase from 3.9% in 2025 to about 6.3% in 2026, driven by supply disruptions, reconstruction demand and higher energy costs.

The hurricane has delayed progress on debt reduction, with public debt projected to rise to 68.5% of GDP before resuming a gradual decline. Poverty levels are also expected to increase temporarily as households continue to recover from the storm's economic impact.

Looking ahead, the outlook remains cautiously optimistic. As reconstruction efforts accelerate and key sectors such as tourism and agriculture recover, economic growth is projected to rebound to an average of around 2.7% in 2027 and 2028. However, risks remain, and Jamaica's recovery will depend on successful rebuilding efforts, fiscal discipline and continued investment in economic resilience.

*(Source: World Bank)*

### Colombia

Colombia's economy demonstrated improving momentum during 2025, supported by recovering domestic demand, moderating inflation and strengthening services activity. The country's services sector remains a major contributor to economic growth.

Colombia continues to strengthen its position as a preferred nearshore destination for customer experience management, multilingual support services and digital operations. Growing investments in technology infrastructure, digital services and business process outsourcing have enhanced the country's attractiveness for global enterprises seeking Spanish-language support capabilities.

*(Source: World Bank, BBVA Research)*

### Australia

Australia's economy remained resilient through 2025 and into 2026, although growth has moderated amid global uncertainty, persistent inflation pressures, and weaker productivity. Economic activity expanded at a modest pace, supported by household consumption, a strong labor market, and easing monetary conditions.

Growth is expected to continue in 2026, but geopolitical tensions, global trade disruptions, volatile energy markets and uncertainty surrounding the AI-driven investment cycle present significant downside risks. Weak productivity growth remains one of Australia's most pressing long-term economic challenges.

Inflation has gradually eased from post-pandemic highs, allowing the Reserve Bank of Australia to begin a cautious monetary easing cycle. Lower interest rates are expected to support consumer spending, business activity and investment, although inflation remains a key policy concern. The labor market has softened somewhat from its post-pandemic strength but continues to provide an important foundation for economic stability.

Australia is transitioning toward more sustainable growth, with inflation expected to stabilize within the target range. However, structural challenges persist, including slow productivity growth, housing affordability pressures, and the need to strengthen long-term competitiveness and energy resilience. The OECD highlights the importance of fiscal discipline, tax system efficiency, housing supply reforms and competition-enhancing measures to support future growth.

Australia's digital economy and technology investments continue to be important growth drivers, while sectors such as agriculture, mining, financial services and telecommunications remain key contributors to economic activity. Overall, the outlook is one of moderate but steady growth, supported by easing inflation and policy support, although external shocks, energy price volatility and global economic uncertainty remain significant risks.

*(Source: Reserve Bank of Australia, The Melbourne Institute of Applied Economic and Social Research, OECD)*

## INDUSTRY OVERVIEW

### GLOBAL IT & BUSINESS PROCESS MANAGEMENT INDUSTRY

The global technology services and Business Process Management (BPM) industry continued to evolve rapidly during 2025 and 2026, and posted a resilient performance despite a challenging macroeconomic environment marked by geopolitical tensions, trade uncertainties and uneven economic growth. Enterprise technology spending remained robust as organizations prioritized investments that improve productivity, strengthen resilience and accelerate business transformation.

AI has emerged as a key catalyst for technology spending. Organizations are increasingly focused on integrating AI into core business operations, customer engagement, decision-making and workflow automation to generate measurable business outcomes. As a result, demand is increasingly shifting from standalone technology adoption toward end-to-end transformation programs that combine AI, cloud, data, cybersecurity and process redesign.

According to Gartner, worldwide IT spending is projected to reach approximately US$6.15 trillion in 2026, driven by growth in software, IT services, cloud infrastructure and AI-related investments. Spending on AI infrastructure, data center systems and AI-enabled software continues to accelerate as enterprises scale production deployments and modernize technology environments.

Cloud modernization remains a strategic priority across industries. Organizations continue to migrate applications and workloads to cloud-native environments, modernize data architectures and strengthen cybersecurity capabilities to support increasingly digital operations.

The BPM industry is simultaneously undergoing a structural transformation. Traditional outsourcing models are evolving toward Digital Operations, AI-enabled managed services and outcome-based engagements. Analytics-driven insights, automation and AI-enabled workflows are becoming central to modern service delivery models. Customer service functions remain among the fastest adopters of AI-enabled technologies. Conversational AI, intelligent automation, agent-assist solutions and predictive analytics are helping organizations improve customer experience, enhance productivity and reduce operational complexity.

These industry shifts create significant opportunities for providers that can combine consulting, technology implementation, operational execution and domain expertise to support enterprise-wide transformation initiatives.

*(Source: Gartner, media and industry reports)*

### INDIAN IT-BPM INDUSTRY

India continued to strengthen its position as a global technology and business services powerhouse during FY2026, supported by its deep talent pool, expanding digital capabilities, growing Global Capability Center (GCC) ecosystem and increasing enterprise investments in artificial intelligence (AI)-led transformation.

According to the NASSCOM Strategic Review 2026, the Indian technology industry crossed the US$300 billion milestone, demonstrating resilience despite global macroeconomic uncertainties. Growth was driven by sustained demand for AI, cloud, cybersecurity, engineering and R&D services, digital engineering, data modernization and enterprise transformation programs. India also reinforced its leadership as the world's preferred sourcing destination, supported by a rapidly expanding innovation ecosystem and strong digital skills base.

A defining trend across the industry has been the transition from digital transformation to AI-led transformation. Enterprises are moving beyond AI experimentation and pilot programs toward large-scale deployment of generative AI, agentic AI and intelligent automation. Technology investments are increasingly focused on improving productivity, enhancing decision-making, modernizing operations and delivering measurable business outcomes. As a result, organizations are seeking partners capable of integrating AI, analytics, cloud technologies and operational expertise into business processes at scale.

The Indian BPM industry is undergoing one of the most significant transformations in its history, evolving beyond traditional process outsourcing toward intelligence-led, outcome-driven services. According to the NASSCOM Strategic Review 2026, AI, analytics and industry-specific platforms are fundamentally reshaping the way enterprises design, manage and optimize business operations. The industry's value proposition is increasingly shifting from labor arbitrage to "intelligence arbitrage", where competitive advantage is created through data, predictive insights, analytics and decision support rather than transaction processing alone.

BPM providers are embedding AI-powered analytics, automation and domain expertise into enterprise workflows, helping clients improve operational performance, anticipate risks and accelerate decision-making. The industry is also witnessing the emergence of agentic AI-powered service platforms capable of autonomously executing complex workflows such as customer onboarding, claims management, compliance processes and customer support operations. These platforms combine AI, business context and human oversight to improve efficiency, accuracy and scalability while delivering measurable business outcomes. At the same time, providers are investing in industry-specific AI models and micro-vertical solutions across sectors such as healthcare, insurance, banking, financial services and risk management, enabling greater process accuracy, compliance and business relevance. The sector is also moving toward hybrid commercial models that blend operational delivery with outcome-linked performance measures, aligning service providers more closely with client business objectives.

Customer Experience (CX) remains one of the fastest-evolving segments within the BPM and digital services landscape. Organizations increasingly recognize customer experience as a critical driver of customer loyalty, revenue growth and competitive differentiation. The rapid adoption of AI, automation, analytics and cloud-based engagement platforms is transforming how enterprises interact with customers, employees and partners. Businesses are investing in technologies that enable faster issue resolution, personalized interactions, proactive engagement and seamless omnichannel experiences across voice, chat, email, social media and self-service channels.

AI has become central to modern CX strategies. Enterprises are deploying conversational AI, virtual assistants, intelligent knowledge systems and agent-assist solutions to improve both customer and employee experiences. The emergence of agentic AI is further enabling more autonomous workflow execution, intelligent case management and end-to-end service orchestration. As customer expectations continue to rise, organizations are increasingly evaluating service providers based on business outcomes such as customer satisfaction, retention, operational efficiency and revenue growth rather than traditional transactional metrics. A broader experience-led approach is also emerging, integrating customer experience (CX), employee experience (EX) and user experience (UX) to create more cohesive and effective engagement ecosystems.

Looking ahead, the convergence of AI, analytics, cloud technologies, Digital Operations and customer experience transformation is expected to create significant opportunities across the IT-BPM industry.

The future operating model is likely to be defined by a Human + AI framework in which AI drives automation, intelligence and productivity, while human expertise provides judgment, empathy and governance. As enterprises increasingly seek measurable returns from technology investments, providers that can combine digital capabilities, operational excellence and industry expertise will be best positioned to capture growth opportunities in the next phase of enterprise transformation.

## DIGITAL MEDIA, ENTERTAINMENT & TELECOM

India's digital media, entertainment and telecommunications sectors continued to expand in 2025 and 2026, driven by rapid digitalization, rising broadband penetration, growing consumption of online content and continued investments in connectivity infrastructure. The convergence of content, connectivity and digital services is reshaping consumer behavior and creating new opportunities across media distribution, broadband services and enterprise connectivity.

According to a FICCI-EY report, India's media and entertainment (M&E) sector grew 9% to Rs. 2.78 trillion in 2025, with digital media emerging as the largest segment for the first time. The sector is expected to reach Rs. 3.3 trillion by 2028, supported by rising digital consumption, streaming adoption, regional content demand and increased advertising spend.

The OTT ecosystem continues to expand as consumers increasingly prefer on-demand, personalized and multi-platform content experiences. Growth in connected devices, smart televisions and high-speed broadband is driving content consumption across streaming platforms, social media, gaming and live digital experiences. While traditional television continues to face structural challenges, the industry is increasingly moving towards integrated "AND" consumption models where digital and linear platforms complement rather than replace each other.

Broadband connectivity remains a critical enabler of India's digital economy. According to Highlights of Telecom Subscription Data at the end of March 2026, India's broadband subscriber base crossed 1.06 billion in March 2026, while total internet subscribers exceeded

1.09 billion, reflecting continued growth in digital adoption across both urban and rural markets. Government-led initiatives such as BharatNet, increasing fiber deployment and expanding 5G coverage are accelerating digital inclusion and broadband penetration nationwide.

The telecommunications sector also continues to benefit from strong data consumption trends, driven by OTT streaming, cloud applications, online education, gaming and emerging AI-enabled services. Fixed Wireless Access (FWA), Fiber-to-the-Home (FTTH) and satellite communications are emerging as important growth segments, helping extend high-speed connectivity to underserved regions. Industry players are increasingly investing in AI-enabled network management, edge computing and next-generation broadband infrastructure to improve customer experience and network performance.

Enterprise connectivity is emerging as a significant growth opportunity as organizations accelerate cloud adoption, AI deployment and digital transformation initiatives. Businesses increasingly require secure, scalable and high-performance network infrastructure, creating demand for managed connectivity, software-defined networking and integrated digital solutions. At the same time, consumers and enterprises are increasingly gravitating toward converged offerings that combine broadband, content, voice, mobility and value-added digital services within a unified ecosystem.

### HGS's opportunity

These structural trends create significant opportunities for HGS' Digital Media businesses, including NXTDIGITAL, ONEDigital and CelerityX. The continued expansion of broadband networks, rising demand for digital content, enterprise connectivity requirements and integrated digital services positions the Company to participate in India's long-term digital infrastructure and connectivity growth story.

*(Source: FICCI-EY report, TRAI, media reports)*

## HGS' Verticals

### Banking, Financial Services and Insurance (BFSI)

The BFSI sector remained a key driver of technology and transformation spending during 2025 and 2026 as institutions focused on modernizing core operations, strengthening risk management and responding to evolving customer expectations. Banks, insurers and financial institutions are increasingly re-architecting legacy platforms, accelerating digital channels and leveraging data-driven decision-making to improve agility and competitiveness.

A major theme across the sector has been the growing strategic value of data. Financial institutions are leveraging proprietary customer, transaction and risk data to enhance credit assessment, fraud detection, underwriting, wealth management and personalized product offerings. Advanced analytics and AI-driven insights are enabling more proactive risk management, faster decision-making and improved customer engagement.

The insurance sector is also undergoing significant transformation, with increased adoption of digital channels, intelligent underwriting, automated claims processing and predictive risk modelling. These capabilities are helping insurers improve operational efficiency, reduce turnaround times and deliver more responsive customer experiences.

At the same time, cybersecurity, fraud prevention and regulatory compliance remain top priorities. As digital transactions continue to rise, financial institutions are increasing investments in identity verification, financial crime monitoring, cyber resilience and governance frameworks to address evolving risks and regulatory requirements. Industry estimates continue to position BFSI among the largest investors in security and risk management technologies globally.

Customer engagement models are also evolving beyond transactional interactions toward relationship-led, personalized and advisory-driven experiences across banking, payments, insurance and wealth management. This is creating a demand for specialized customer lifecycle management, compliance support, analytics and Digital Operations capabilities.

*(Source: Gartner, media and industry reports)*

### Consumer and Retail

The consumer and retail sector continued to adapt to evolving consumer behavior, economic pressures and the rapid expansion of digital commerce, driving investments in omnichannel engagement, customization and operational efficiency. Consumers increasingly sought greater convenience, value and personalization, prompting retailers to strengthen omnichannel strategies and invest in technology-enabled customer engagement.

A key industry trend has been the convergence of physical and digital retail. Leading brands are integrating stores, e-commerce platforms, mobile applications and social commerce channels to deliver seamless shopping experiences. At the same time, retailers are using customer data and advanced analytics to improve demand forecasting, inventory management, pricing decisions and loyalty programs.

Technology adoption continues to accelerate across the sector. AI-powered personalization, predictive analytics and intelligent merchandising are helping retailers enhance customer experiences and improve operational efficiency. Retail media networks have also emerged as a fast-growing revenue stream, enabling retailers to monetize first-party customer data while strengthening relationships with brands and advertisers.

Supply chain resilience remains a priority as retailers respond to geopolitical uncertainty, evolving trade dynamics and changing consumer demand patterns. Companies are investing in data-driven planning, automation and digital supply chain capabilities to improve agility and operational performance.

*(Source: KPMG, Deloitte)*

### Government and Public Sector

The Government and Public Sector markets across developed and emerging markets continue to advance digital transformation initiatives, focusing on improving citizen services, increasing operational efficiency and modernizing legacy technology environments. Governments, especially in countries such as the UK and Canada, are increasingly adopting digital-first service delivery models to meet rising citizen expectations while managing fiscal and resource constraints.

Investments remain focused on cloud adoption, data-driven decision-making, cybersecurity, automation and citizen engagement platforms. Public sector organizations are modernizing service delivery across healthcare, taxation, social services, benefits administration and public infrastructure, with an emphasis on accessibility, efficiency and secure digital interactions.

Cybersecurity, data privacy and regulatory compliance continue to be key priorities as government agencies manage expanding digital ecosystems and growing cyber threats. At the same time, the adoption of AI and automation is beginning to support areas such as citizen support, document processing, case management and administrative workflows, improving productivity while maintaining appropriate governance and oversight.

Citizen expectations are also driving demand for seamless, personalized and omnichannel experiences similar to those offered by private sector organizations. As a result, governments are investing in self-service capabilities, digital contact centers and integrated service platforms that improve responsiveness and accessibility.

*(Source: Industry reports, UK Government publications)*

### Healthcare

The healthcare, life sciences and medical devices industries continued to navigate rising demand, regulatory complexity and cost pressures through investments in innovation, digital technologies and more efficient care delivery models. Organizations across the healthcare ecosystem are focused on improving patient outcomes, accelerating innovation and enhancing operational efficiency amid growing cost and regulatory pressures.

Life sciences companies are increasingly leveraging AI, advanced analytics and digital platforms to accelerate drug discovery, optimize clinical trials and streamline regulatory processes. Industry reports indicate that AI adoption across healthcare and life sciences has reached an inflection point, with organizations moving from experimentation to enterprise-scale deployments that deliver measurable business and clinical outcomes.

The medical devices sector continues to benefit from advances in connected care, diagnostics, remote patient monitoring and wearable technologies. AI-enabled devices, digital therapeutics and real-time patient monitoring solutions are enabling more personalized, preventive and data-driven healthcare delivery. At the same time, increasing device connectivity is elevating the importance of cybersecurity, patient data protection and regulatory compliance.

Patient engagement is also becoming a key area of investment, with healthcare organizations adopting digital channels, virtual support and intelligent service platforms to improve access, responsiveness and the overall patient experience. Together, these trends are accelerating the shift toward more connected, technology-enabled and patient-centric healthcare models.

### Business Overview

Hinduja Global Solutions Limited (HGS) is a global provider of technology, AI, and business services that helps organizations transform with confidence. Rooted in decades of operational excellence, HGS combines automation, analytics, artificial intelligence, and deep domain expertise to deliver Intelligent Experiences across the customer lifecycle, from digital customer care to back-office operations, human resources outsourcing, and advanced contact center solutions.

Building on the strong foundation in CX and business process management, HGS is expanding into new related areas by integrating technology, data, and operational insight to deliver real business results. Our Realized AI methodology brings discipline, speed, and certainty to transformation, delivering right-sized, practical solutions that work here and now, including a 90-day Proof of Value commitment that validates measurable impact in live environments before scaling.

HGS also operates NXTDIGITAL (www.nxtdigital.in), India's premier digital media distribution company, providing satellite, digital cable, and broadband services to over 4.8 million customers across 1,500 cities and towns.

Part of the multi-billion-dollar Hinduja Group, HGS takes a "globally local" approach with 17,110 employees across 10 countries and 23 delivery centers, supporting some of the world's most recognized brands. For the year ended March 31, 2026, HGS reported total income of Rs. 4,857 crore (US$ 547.3 million).

### Expansion into MENA

In July 2026, HGS expanded its international footprint through the incorporation of HGS MENA IT Consulting L.L.C. in Dubai, UAE. The new entity was established to provide AI and technologies consulting services to enterprises in the MENA region. The incorporation was approved by the Dubai Department of Economy and Tourism.

The establishment of the Dubai entity reflects HGS's continued focus on expanding its technology and consulting capabilities while creating a platform to support growth opportunities in key international markets.

### Creating Momentum Through New Clients and Deeper Engagements

A key highlight of FY2026 was the strength of HGS's go-to-market execution and client acquisition momentum. The Company recorded its strongest year ever for new business, adding 79 new clients across CX, Digital and OSS services, creating a broader foundation for future growth. New wins spanned diverse industries and geographies and included transformational engagements across customer experience, finance and accounting, IT outsourcing, AI-enabled operations and application modernization. The sales pipeline also strengthened during the year, growing in both scale and quality, with increasing demand for outcome-based, transformation-led engagements. Clients are increasingly seeking strategic partners that can combine operations, technology, analytics and AI to deliver measurable business outcomes, positioning HGS well to capture larger, multi-service opportunities.

### Project GANGA: Advancing Digital Inclusion at Scale

During FY2026, HGS, through its broadband business OneOTT Intertainment Ltd. (OIL), signed a Memorandum of Understanding (MoU) with the State Transformation Commission (STC), Government of Uttar Pradesh (UP), for the rollout of Project GANGA (Government Assisted Network for Growth & Advancement), a large-scale digital inclusion initiative in the state. The programme seeks to extend high-speed broadband connectivity to more than 2 million households over the next two to three years, supporting broader access to digital education, healthcare, public services and economic opportunities.

A cornerstone of the initiative is its focus on fostering local entrepreneurship. Project GANGA aims to empower 8,000 to 10,000 entrepreneurs at the Nyaya Panchayat level as Digital Service Providers (DSPs), enabling them to deliver last-mile broadband connectivity and digital services within their communities. With a strong emphasis on youth and women participation, the initiative is expected to create over 100,000 direct and indirect employment opportunities while strengthening the digital ecosystem across Uttar Pradesh. DSPs are supported through training, financing assistance, technology enablement and network deployment capabilities.

The formal launch of Project GANGA by the Hon'ble Chief Minister of Uttar Pradesh in June 2026 marked a significant milestone in HGS's commitment to using technology as a force for inclusive growth. Leveraging the strengths of OIL's broadband infrastructure and operational expertise, broadband services under the initiative will be delivered through the Ganga Fiber brand, helping bridge connectivity gaps and create sustainable livelihoods. The initiative reflects HGS's broader vision of combining digital transformation with meaningful social impact, while contributing to India's digital development agenda.

### FY 2026 Consolidated revenue profile

### Revenue by Origination

US-originated revenue accounted for 28.3% of operating revenues. US-originated revenues are delivered from centres based out of US, India, Philippines, Jamaica, Colombia, South Africa and Canada.

Revenue originating from India were at 38.5% while UK originated business was at 12.9% of operating revenue. UK-originated revenues are delivered from centres based out of UK, US, Philippines, India and South Africa.

Operating revenue originating from Canada were at 8.4%; and 11.9% from Jamaica, Philippines and Australia.

Digital Media Business revenues originate from India while BPM revenues originate from US, UK, Canada, Jamaica, Philippines, India and Australia.

### Offshore/ near-shore Revenue

The offshore/near-shore Revenues (Originating in one country and delivered from another country) account for 28.8% of operating revenues.

### Voice to Non-Voice Revenue Mix

Voice revenues accounted for 37.4%, Back Office 17.6% and Digital 44.9% of operating revenues.

### Revenue by Vertical

Tech, Media & Telecom: 50.5%, Banking and Financial Services: 18.4%, Consumer & Retail: 17.3%, Public Sector: 8.3%, Health & Life science: 2.2% and Others: 3.3%.

### Discussion on Financial Position

### Property, Plant, Equipment and Intangible assets

The net block of assets (Tangible assets and Intangible assets) as of March 31, 2026 is ₹8,177 million as compared to ₹8,858 million in March 31, 2025, representing an absolute decrease of ₹681 million during the year under review and in percentage terms, it was 7.68%.

The Right to use asset balance as on March 31, 2026 is ₹9,635 million. The Right to use asset balance as of March 31, 2025 was ₹10,190 million.

The Capital work-in progress balance as on March 31, 2026 is ₹157 million. The capital work-in progress balance as of March 31, 2025 was ₹88 million.

The Intangible assets under development balance as on March 31, 2026 is ₹28 million. The Intangible assets under development balance as of March 31, 2025 was Nil.

The Investment property balance as on March 31, 2026 is ₹215 million. The investment property balance as of March 31, 2025 is ₹220 million.

### Goodwill

As of March 31, 2026, goodwill is ₹10,925 million as compared to ₹9,954 million in March 31, 2025. Goodwill is tested for impairment.

### Investments

It mainly comprises of Non-Convertible Debentures, Quoted investments in equity instruments and Treasury bills at overseas location. As of March 31, 2026, investments were ₹41,436 million as compared to ₹36,432 million in March 31, 2025.

### Loans (Non-current)

As of March 31, 2026, amount of ₹15 million of loans to third parties. The same as of March 31, 2025, was ₹15 million. These loans are made on normal commercial terms and conditions and at market rate and are carried at amortized cost.

### Other financial assets (Non-current)

It comprises of security deposit, margin money deposit and other long-term deposits. As of March 31, 2026, the amounts were ₹890 million compared to ₹794 million in March 31, 2025.

### Deferred tax assets (net) [DTA]

DTA as of March 31, 2026 were ₹425 million as compared to ₹1,024 million in March 31, 2025.

### Income tax assets (net)

As of March 31, 2026, amounts were ₹3,548 million as compared to ₹3,284 million in March 31, 2025.

### Other non-current assets

Other non-current assets include capital advance, prepaid expenses, balance receivable from government authorities, loans & advances and other receivables. As of March 31, 2026, the amounts were ₹493 million as compared to ₹385 million in March 31, 2025.

### Inventory

Inventory consists of Stock of network cable, equipment and traded goods and other Media Inventory. As of March 31, 2026, inventory were at ₹308 million as compared to ₹259 million in March 31, 2025.

### Trade receivables

As of March 31, 2026, trade receivables from the customers were at ₹8,718 million as compared to ₹7,645 million in March 31, 2025, after making allowance/ provision for doubtful debts.

### Cash and Bank balances

As of March 31, 2026, cash and bank balances were at ₹6,901 million as compared to ₹8,559 million in March 31, 2025.

### Loans (Current)

As of March 31, 2026, loan amount was ₹18,807 million out of which loans to related parties were of amount ₹1,265 million that were given for working capital finance. The Loan amount as of March 31, 2025, were at ₹19,296 million out of which loans to related parties were of amount ₹4,132 million that was given for working capital finance, and the balance represents loans given to a third party that are now re-classified as Current Loans. These loans are made on normal commercial terms and conditions and at market rate.

### Other financial assets (Current)

It comprises of security deposit, interest accrued, derivative gains, lease receivable and other receivables. As of March 31, 2026, the amounts were ₹1,352 million as compared to ₹1,760 million in March 31, 2025.

### Other current assets

The Other Current Assets comprises of balance with government authorities, Employee advances, vendor advances, prepaid expenses and other assets. As of March 31, 2026, the amounts were ₹3,607 million as compared to ₹2,955 million on March 31, 2025.

### Share Capital

The authorized share capital of the Company is ₹798.5 million comprising of 79.85 million equity shares of ₹10 each and 0.15 million 1% participatory redeemable noncumulative preference shares of ₹10 each. The paid-up share capital as of March 31, 2026 was ₹465.20 million and as of March 31, 2025 was ₹465.20 million.

### Share application money pending allotment

The Share application money pending allotment of the Company as at March 31, 2026 and March 31, 2025 was Nil.

### Other Equity

The other Equity of the Company increased from ₹82,700 million in March 31, 2026 to ₹76,616 million in March 31, 2025.

### Non-Controlling Interest

The non-controlling interest as of March 31, 2026 is ₹1,196 million as compared to ₹1,467 million on March 31, 2025.

### Borrowing (Non-current)

As of March 31, 2026, the total long-term borrowings were ₹2,277 million as compared to ₹3,301 million in March 31, 2025.

### Lease liability

In accordance with Ind AS 116, HGS discounted lease payments using the applicable incremental borrowing rate as at the inception of the lease for measuring the lease liability. As of March 31, 2026, the non-current and current portion of the lease liability was ₹3,601 million and ₹3,138 million respectively. As on March, 31, 2025, the non-current and current portion of the lease liability was at ₹4,177 million and ₹3,386 million respectively.

### Other financial liabilities (Non-current)

Other non-current financial liabilities as of March 31, 2026 were ₹213 million as compared to ₹50 million as on March 31, 2025.

### Provisions (Non-current)

Provision comprises of pension obligation, gratuity and Compensated absences (as per actuarial valuation performed by an independent actuary) & Others. As of March 31, 2026, the provisions were ₹677 million as compared to ₹2,161 million on March 31, 2025.

### Deferred tax liabilities (net) [DTL]

DTL as of March 31, 2026 were ₹524 million as compared to ₹221 million in March 31, 2025. Major components of DTL are due to temporary differences to the Property, Plant, Equipment, unabsorbed depreciation and Hedge reserve.

### Contract liabilities (Non-current)

It mainly comprises of Income received in advance from customers. As of March 31, 2026, contract liabilities are ₹ 3 million as compared to ₹3 million in March 31, 2025.

### Other Non-current liabilities

As of March 31, 2026, total Other Non-current liabilities were ₹0.20 million as compared to Nil in March 31, 2025.

### Borrowing (Current)

As of March 31, 2026, total short-term borrowings were ₹10,663 million as compared to ₹8,568 million in March 31, 2025.

### Trade Payables

As of March 31, 2026, the trade payables were at ₹ 3,512 million as compared to ₹5,091 million in March 31, 2025.

### Other current financial liabilities

Other current financial liabilities consist of Interest accrued, capital creditors, deferred consideration payable, unpaid dividend, employee related payables and derivative loss. As of March 31, 2026, those amounts were at ₹2,582 million as compared to ₹3,407 million in March 31, 2025.

### Provisions (Current)

Provision includes provision for Gratuity and leave encashment liabilities (as per actuarial valuation performed by an independent actuary). As of March 31, 2026, provisions were ₹458 million as compared to ₹369 million in March 31, 2025.

### Contract liabilities (Current)

It mainly comprises of income received in advance from customers. As of March 31, 2026, the amounts were at ₹489 million as compared to ₹370 million in March 31, 2025.

### Current tax liabilities

As at March 31, 2026, the amount was ₹719 million and as at the end of March 31, 2025, the amount was ₹593 million.

### Other current liabilities

Other current liabilities comprise of advance from customers, statutory dues payable and other payables. As of March 31, 2026, the amounts were ₹2,538 million as compared to ₹1,359 million in March 31, 2025.

### Operational Review

During the financial year under review, the Company has been communicating to all its stakeholders, that the focus of the company is to grow its profitable businesses, re-price or exit unprofitable accounts, generate free cash flows, undertake cost rationalization from time to time, improve return ratios. FY 2026 has seen operating revenue reducing by 2.2% with operating EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization and excluding Other Income) reducing by 61.5%.

Compared to FY 2025, Digital Media business operating revenues dropped by 0.9% while BPM operating revenues reduced by 2.7% in FY 2026. The drop in BPM operating revenues is due to reduction in revenue relating to low margin onshore business. Some onshore clients have migrated to high margin offshore delivery locations, in line with HGS strategy of growing offshore business.

Other Income dropped by 0.9% mainly due to normalisation of higher interest income on tax refunds in FY 2025.

Further, PBT after exceptional item (Profit Before Tax and after Depreciation, Interest Expense) was at loss of ₹723 million in FY 2026 as compared to profit of ₹598 million in FY 2025. This drop was primarily on account of drop in Operating EBITDA.

Tax Expense for FY 2026 was ₹708 million as compared to ₹1,777 million in FY 2025.The steep decrease is primarily on account of additional deferred tax expense in FY 2025.

The Company reported a net loss of ₹ 1,431 million from Continuing Operations as compared to loss of ₹ 1,178 million in FY 2025.

After taking into account PAT from Discontinued Operations, the Company reported an overall PAT of ₹ 49 million for FY 2026.

As on March 31, 2026, company has treasury surplus of ₹66,403 million comprising cash & bank balances, loans given and investments in debentures. Total borrowings at the end of FY 2026 stood at ₹12,940 million.

### Key Financial Ratios

| Ratios | FY2026 | FY2025 |
|---|---|---|
| Debtors Turnover | 5.26 | 5.84 |
| Current Ratio | 3.35 | 3.21 |
| Debt Equity Ratio | 0.15 | 0.15 |
| Interest Coverage Ratio | 3.14 | 3.54 |
| Operating Profit Margin (prior exceptional item) % | 3 | 5.8 |
| Net profit margin (including discontinued operations) % | 0.1 | 2 |

The above ratios represent the key financial ratios, as applicable to the consolidated financial statements of HGS. The decline in Operating Profit Margin was primarily attributable to a reduction in operating revenue. The decrease in Net Profit Margin was mainly driven by a one-time exceptional expense and lower profit from discontinued operations during the year.

Return on net worth during the financial year ended March 31, 2026 is 0.1% as compared to 1.3% for the year ended March 31, 2025, primarily due to decrease in operating EBITDA and reduction in Profit from discontinued operations.

### Human Capital

As of March 31, 2026, HGS had a global workforce of 17,110 employees across 10 countries and 23 delivery centers.

At HGS, our people are at the heart of everything we do. We believe an employee-first culture is fundamental to delivering measurable business outcomes, accelerating innovation, and creating Intelligent Experiences for our clients and employees. Our people's strategy is built on the belief that when employees feel valued, empowered, and supported, they are best positioned to unlock their full potential and create meaningful impact for themselves and the organization.

As HGS evolves into a leading technology services provider delivering Intelligent Experience solutions, our employees continue to play a critical role in bringing this vision to life. By combining human judgment with digital capabilities, our teams help enterprises reimagine customer journeys, leverage data-driven insights, deploy AI-enabled solutions, and deliver seamless, personalized experiences at scale, something that has been touted to be the cornerstone of enterprise success.

Your Company is committed to fostering an inclusive, equitable, and high-performance workplace where every employee has the opportunity to learn, grow, and thrive. Through continuous learning, leadership development and recognition programs, we empower employees to build rewarding careers while contributing to the organization's long-term success. This commitment has helped strengthen HGS' position as an employer of choice across the markets we serve.

Employee well-being remains a key area of focus. Through flexible work models, wellness initiatives, employee assistance programs, mental health awareness efforts, and resources that support work-life integration, we continue to create an environment where employees feel supported and valued, encouraging them to perform at their best.

By leveraging technology to create seamless experiences across recruitment, onboarding, learning, collaboration, performance management, and recognition, we are building a future-ready workforce equipped for an increasingly AI-driven world. And guided by a culture of inclusion, innovation, and continuous growth, HGS remains committed to investing in its people and enabling them to shape the future of Intelligent Experiences.

### Compliance

HGS has implemented a robust Compliance framework to identify, assess, monitor, control and report compliance status with respect to the applicable laws and regulations specific to the geography in which it provides services. Applicable laws and regulations, including Employment and Labour laws, in countries where the Company operates and any changes to the said laws and regulations are reviewed periodically for their compliance.

The Board reviews the compliance status of all the laws and regulations applicable to the Company on a quarterly basis, based on the compliance certificates submitted by the Global CEO and the Global CFO.

### Awards and recognitions

In FY2026, HGS received numerous awards and accolades across customer experience, technology, innovation, workplace culture, and business excellence. Some of these recognitions are highlighted below.

Industry Awards:

- HGS AMLens was named Innovative Product Winner at the 2026 BIG Innovation Awards.

- HGS Agent X was recognized with the 'Most Innovative Practice' in the category of Excellence in Best Industry AI Application at the 2nd CII AI Awards 2025.
- Won Gold at the Asia Pacific Stevie Awards 2026 in the Innovation in Cybersecurity & Privacy category for HGS AMLens.
- HGS Da Vinci solution was named the Winner in the category 'AI in Customer Service – Best Outcomes, Predicting Problems' at the Newsweek Asia AI Impact Awards for APAC and EMEA
- HGS Data and Analytics team was recognized amongst the 'Top 50 Data and Analytics Teams' at the OnCon Icon Awards 2025.
- Won the 'Behavioral AI Solution of the Year' award at AI Breakthrough Awards 2025 for a psychometric profiling solution to detect early signs of fraud.
- Won two awards at Brandon Hall Group HCM Excellence Awards 2025 in the categories of –
    - Best Employee Engagement Program' for Integrated Water Management for Sustainable Development in Ajmer, Rajasthan, India
    - Best Social Impact Program' for HGS 'Work to Give' employee volunteering program

**Analyst Recognitions:**

➢ **The Booming 15: ISG Index**

- o Service & Technology Provider Standouts – Americas in the ISG Index 4Q 2025 - Managed Services and As-a service Market Insights.
- o Service & Technology Provider Standouts – Americas for the Managed Services Market in the ISG Index 3Q 2025.
- o Service & Technology Provider Standouts – "Americas" in the ISG Index 2Q 2025 - Managed Services and As-a service Market Insights.
- o Service & Technology Provider Standouts – "Americas" in the ISG Index 1Q 2025 - Managed Services and As-a service Market Insights.

➢ **ISG:**

- o For 3rd consecutive year, recognized as "Leader" in Digital Operations, Intelligent Agent Experience, Intelligent CX (AI & Analytics) in ISG Contact Centre Customer Experience Services Provider Lens™ Study – Global.
- o EMEA debut - Recognized as Leader in Intelligent Agent Experience, Intelligent CX (AI & Analytics) in ISG Contact Centre Customer Experience Services Provider Lens™ Study – EMEA.

➢ **IAOP 2026 Global Outsourcing 100® list:**

HGS recognized for the 16th year in a row in the IAOP 2026 Global Outsourcing 100®list (Leader Judging Size category). We received star recognitions for below:-

- o Customer References
- o Awards & Certifications
- o Programs for Innovation
- o Programs for Social Impact

➢ **HFS:**

- o Recognized as "Enterprise Innovators" In the HFS Horizons: Digital Marketing and Sales Services, 2025.
- o HFS Horizons: Intelligent Retail and CPG Ecosystems, 2025 report- HGS has been ranked in Horizon 1 category as a "Disruptor" in the report, emphasizing HGS's commitment to driving digital efficiency through technology-led transformation, focusing on cost reduction, speed, and operational excellence across the value chain.

➢ **Everest Group:**

- o Recognized as "Aspirant" In Everest Group Financial Crime and Compliance (FCC) Operations Services PEAK Matrix® Assessment 2025.
- o Ranked as "Major Contender" In the Everest Group CPG Services PEAK Matrix® 2025.
- o Ranked as "Major Contender" in the Everest Group CXM Services PEAK Matrix® 2025.
- o "Major Contender" in the Everest Group Digital Transformation Services for Mid-market Enterprises PEAK Matrix® Assessment 2025.
- o "Major Contender" in the Everest Group Banking Operations – Services PEAK Matrix® Assessment 2025.
- o Ranked as "Aspirant" in the Everest Group Marketing Services PEAK Matrix® Assessment 2025.
- o Featured as a strategic impact sourcing provider in Everest Group Impact Sourcing State of the Market Report 2025, among 18 global providers.

➢ **Nelson Hall:**

- o HGS is positioned as 'Leader' within the Nelson Hall Conversational Commerce NEAT 2025 – in all 3 market segments that includes the Overall, Retention Capability and the Sales Capability segments.
- o "Leader" in the Nelson Hall GenAI-Enabled Operational Transformation 2025 NEAT for "Developing Custom GenAI Solutions".

## Competitive Advantage

HGS is advancing its position as a technology services company built for a market where enterprises need AI to deliver measurable value in real operating environments. Through Intelligent Experiences, we combine AI, automation, data, and human expertise to improve the interactions, platforms, and operations that shape business performance. Our advantage is grounded in more than five decades of operational experience.

We understand how work moves across people, processes, and systems, enabling us to embed intelligence directly into critical workflows while maintaining the governance and human oversight required for responsible scale. This foundation is strengthened by deep industry expertise, global delivery capabilities, and an integrated portfolio spanning customer engagement, enterprise technology, and business operations.

Our methodology brings discipline and shared accountability to execution. Through our 90-day proof-of-value promise, we define outcomes upfront and demonstrate measurable value before solutions scale, giving clients greater confidence in their transformation investments. This combination of operational depth, technology capability, and outcome-led delivery positions HGS to meet growing demand for practical, scalable AI and build deeper, higher-value client relationships.

The Digital Media business's competitive advantage lies in its ability to combine extensive infrastructure, deep distribution reach, and innovative service delivery to address changing consumer preferences in the digital media market. As traditional television viewing continues to fragment, NXTDIGITAL has strengthened customer retention through bundled offerings that combine video, broadband, and value-added services, creating greater convenience and value for customers.

Its nationwide fiber and satellite network provides unmatched reach across India while keeping customer acquisition costs low. The company's prepaid operating model across both B2B and B2C segments minimizes revenue leakage and supports predictable cash flows. At the same time, NXTDIGITAL is effectively leveraging its large DTH subscriber base to drive broadband adoption and cross-sell services.

A key differentiator is its strong ecosystem of Last Mile Owners (LMOs), strategic partners, broadcasters, and technology vendors. These long-standing relationships enable efficient service delivery and support innovative solutions such as the award-winning NXTHUB platform, which helps LMOs seamlessly connect customers to over 650 channels, particularly in Tier II and Tier III markets.

Beyond consumer services, NXTDIGITAL continues to expand its enterprise offerings through CelerityX, leveraging its network infrastructure and technology capabilities to deliver end-to-end connectivity solutions. Products such as NetX, OneX, and SkyX position the company as a trusted digital connectivity partner for businesses, further diversifying growth opportunities and strengthening its competitive position.

This myriad of solutions from HGS across the entire customer lifecycle spectrum – from cutting edge CX solutions to all-pervasive digital media services – clearly gives us a strong platform to remain and grow as a preferred partner in industry.

## Risk and Concerns

HGS has established a robust risk management framework covering all our businesses. The risk framework for acquired businesses is aligned with the existing framework and is integrated at an entity level, further strengthening the overall risk management process.

The business may face new challenges as listed below.

AI and other advanced technologies are reshaping our industry and competitive markets and are expected to continue to do so. The regulations in this area are also evolving. Their use and evolution could create possible competitive risks. AI-driven personalization and content discovery may reshape consumer expectations and intensify competition in the media businesses.

- Entry and expansion of satellite-based broadband providers, including low-earth-orbit (LEO) satellite internet services, may intensify competition, particularly in underserved and remote areas.
- Technology substitution from 5G fixed-wireless access, Wi-Fi 7 and next-generation access technologies may shorten the useful life of current network investments.
- Concentration in, and import dependence for, network equipment together with 'trusted source' telecom-equipment sourcing requirements may expose the business to supply chain and procurement risk.
- Complex and evolving legislations due to emerging and fast evolving legal and regulatory controls in all regions that HGS operates in, with specific emphasis on AI technologies. Other compliance regulations like geo specific Data Privacy regulations, and Immigration.
- Increasing compliance requirements and subscriber-data handling obligations may increase compliance costs and exposure across the media businesses.
- Evolving consumer behavior and changing industry business models, including restructuring driven by market shifts, competition, M&A, regulation, and efficiency initiatives, may adversely affect demand for our existing services.
- Competition globally from other providers and from our clients, who may build global capability centers to provide data and AI-led solutions and services and digital operations solutions and services themselves,

either in-house or other arrangements.

- Talent supply chain management becomes very crucial in an ever-changing technological landscape demanding frequent upgrade of talent and skills.
- Heightened risk of increased frequency and intensity of 'AI powered Offensive Cyber-attacks,' compromising businesses.
- Increased frequency and more sophisticated attacks in the form of ransomware, phishing, smishing, etc., despite having strong cyber security controls in place.
- Global geopolitical and macroeconomic events impacting demand and supply. Escalation of the West Asia conflict has disrupted supply of critical inputs and electronic components, compounding existing memory pricing pressure and elevating the landed cost of customer premises equipment.
- Competitive pricing in the markets and segments that we operate in.

HGS has designed and established a robust ERM (Enterprise Risk Management) framework comprising of practices related to identification, assessment, monitoring, and mitigation of risks to its business. ERM practices enable HGS to leverage emerging market opportunities effectively through risk-oriented assessment and mitigation methods that minimize the adverse impact of risks.

HGS' ERM objectives include the management of risks related to strategic factors (both external and internal), operations, finance, client and market space, technology, and human resources. Our risk practices seek to strengthen HGS' long-term competitive advantage.

Risk management processes are monitored, reviewed, and revised as appropriate to adapt to the evolving global risk landscape. The Risk Management Committee reviews on a periodical basis, the identified risks and actions taken to mitigate them.

### Risk Categories

HGS' ERM framework considers the following categories of risks across various levels of the organization and geographies viz., enterprise level, business unit level, account level:

1. Strategic: Risks emanating out of the choices we make in industry and markets, resources and delivery models which can potentially impact the strategic objectives of the company. Decisions involving mergers, acquisitions, divestures, joint ventures, and other macroeconomic changes could impact the organization performance.
2. Counterparty: Risks arising out of our association with external entities for conducting business. These include clients, vendors, and business partners.
3. Operations: Risks inherent to business operations, including those relating to service delivery to clients, human resources, information security, cyber security, intellectual property, physical security, and business activity disruptions. This also includes Sustainability (Environmental, Social and Governance) risks on account of uncertain social or environmental event or condition that, if it occurs, can cause significant negative impact on the company.
4. Finance: Risks impacting the financial performance of the company viz. treasury, taxes as per statutory laws in each country of operation, accounting and reporting, foreign exchange fluctuations and pension fund obligations
5. Regulatory & Compliance: Risks due to inadequate compliance with regulations, contractual obligations and violations leading to litigation and loss of reputation.

### HGS Risk Management Practices

Risk management practices include identification of risks, impact and consequence analysis, evaluation of risks, mitigation, and monitoring of risks along with reporting and disclosures. Business planning and strategy is integrated with risk management is an ongoing activity.

### Risk identification and Impact Analysis

The procedures have been developed for identifying risks through focus group meetings, interviews, questionnaires, historic data analysis, probability forecasting, control assessment, analysis of uncertainties, what-if scenario analysis, business environment, internal audit findings, assessment of the operations and learning's from incident analysis. HGS has guidelines that provide instructions in carrying out impact-consequence analysis for the identified risk.

**Risk Evaluation:** Risk criteria have been established in deciding the magnitude of risk to the company. Key risk indicators and thresholds have been identified to evaluate the risks. The risk criterion includes costs, performance objectives, reputation, and regulatory compliance. The risk levels are determined using the potential impact, likelihood of occurrence and the risk exposure.

**Risk Mitigation & Monitoring:** Identified top risks are tracked to assess residual risks levels and likelihood of occurrence. Analysis, exposure, and assessment of top risks are carried out periodically with emerging risks if-any being included. Mitigation plans are finalized, owners are identified, and progress of mitigation actions are monitored and reviewed. The Committee reports to the Board of Directors on the effectiveness of risk management across the enterprise.

**Risk Reporting and Disclosures:** Risks impacting achievement of business objectives, movement of risk levels, impact and mitigation status are reported and discussed with the Committee periodically. This Committee further reports to the Board through periodic updates highlighting key risks, their impact and mitigation status.

**Incorporating risk management with planning and strategy:** Business strategy and planning consider the identified risks and mitigation action as an input for the development of strategy and annual business plan.

### Internal Controls

As a business philosophy, HGS' management believes in growth with a strong governance system and mechanism in place. HGS has a proper and adequate system of internal controls, commensurate with its size and business operation to ensure timely and accurate financial reporting in accordance with the applicable accounting standards, safeguarding of assets against unauthorized use or/ and disposition and compliance with all the applicable regulatory laws and Company policies.

The Company documents all the policies and procedures and from time to time updates the same, which need to be complied with. There is a clear demarcation of roles and responsibilities at various levels of the organization. Internal Control System aims to ensure that business operations function efficiently; that applicable laws, rules and regulations as well as all the policies/ procedures are complied with and there is reliability and consistency of reported accounting and financial data. The Internal Auditors review the internal control systems on an ongoing basis for its effectiveness and suggests necessary changes, which are duly incorporated. The Internal audit reports are also reviewed by the Audit Committee of the Board.

Based on the current structure of internal financial controls and compliance systems established and maintained by the Company, work performed by the Statutory, Internal, external consultants and Secretarial Auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the Management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2026.

### Audit Trail

The Ministry of Corporate Affairs (MCA) vide its notification No. GSR 206(E) dated March 24, 2021, has issued the "Companies (Audit and Auditors) Amendment Rules, 2021" read with sub-section 3 of Section 143 of the Companies Act, 2013 introducing new Rule 11(e), new Rule 11(f) and new Rule 11(g) and deleting Rule 11(d). This requirement is applicable from April 1, 2023. Based on management assessment and work performed by external consultants, the Board noted that the Holding Company and its subsidiary companies incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares.

### Cautionary Statement

Some of the statements or certain statements in the above paragraphs of MDA, describing the Company's objectives, expectations, predictions and assumptions may be 'forward looking' in nature, and within the meaning of the applicable Securities Laws and Regulations. The actual financial and non-financial results may differ materially from those expressed herein, important factors that could influence the Company's operations include global and economic conditions affecting demand, supply, price conditions, change in Government regulations, tax policies and regimes, other statutes and other factors such as litigation and industrial relations.

# Annexure 'E'

## TO THE DIRECTORS' REPORT

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

   Your Company is inspired and guided by the pioneering thoughts "My dharma (duty) is to work so that I can give" of Late Shri Parmanand Deepchand Hinduja, Founder of the Hinduja Group. Your Company is a socially responsible corporate and has undertaken and implemented CSR activities for the upliftment of the economically and socially disadvantaged communities and shall continue to do in future.

2. **Composition of CSR Committee**

| Sl. No. | Name of Directors | Designation/ Nature of Directorship | Number of meeting of CSR Committee held during FY 2025-26 | Number of meeting of CSR Committee attended during FY 2025-26 |
|---|---|---|---|---|
| 1. | Mr. Munesh Khanna | Independent Director | 1 | 1 |
| 2. | Ms. Bhumika Batra | Independent Director | 1 | 1 |
| 3. | Mr. Amit Saharia | Non- Executive, Non Independent Director | 1 | 1 |

   During the year, the CSR Committee meeting was held on March 26, 2026 which was attended by all the Members of the Committee.

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:**

   - Composition of the CSR Committee: https://hgs.com/about-us/leadership/
   - CSR Policy: https://hgs.com/investors/corporate-policies/
   - CSR projects approved by the Board are disclosed on the website of the company: https://hgs.com/investors/other-reports/

4. **Provide the executive summary along with weblink of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)** - Not Applicable

5. **(a) Average net profit of the company as per section 135(5) :** ₹ (10,862.84) Lakhs

   **(b) Two percent of average net profit of the company as per section 135(5):** Not applicable as the average profit was negative.

   **(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   **(d) Amount required to be set off for the financial year, if any:** Nil

   **(e) Total CSR obligation for the financial year (5b+5c-5d):** Nil

6. **(a) Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project):** ₹ 41 Lakhs

   **(b) Amount spent in Administrative Overheads:** Nil

   **(c) Amount spent on Impact Assessment, if applicable:** Not Applicable

   **(d) Total amount spent for the Financial Year (6a+6b+6c):** ₹ 41 Lakhs

   **(e) CSR amount spent or unspent for the financial year:**

| Total Amount spent for the Financial Year | Amount Unspent (in C) | | | | |
|---|---|---|---|---|---|
| | 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 subsection (5) of section 135. | | |
| Amount | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| ₹ 41 Lakhs | Nil | NA | Nil/ N.A. | | |

**(f) Excess amount for set-off, if any:**

| Sl. No. | Particulars | Amount (₹ in lakhs) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | - |
| (ii) | Total amount spent for the Financial Year | 41 |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 41 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | Nil |
| (v) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | - |

7. **Details of Unspent CSR amount for the preceding three financial years:** Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

   **If yes, enter the number of Capital assets created/ acquired:** Not Applicable

   **Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** Not Applicable

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:** Not Applicable

**Vynsley Fernandes**
**Whole-time Director**
**DIN: 02987818**

**Munesh Khanna**
**Chairman - CSR Committee**
**DIN: 00202521**

Place: Mumbai
Date : August 7, 2026

# Annexure 'F'

## TO THE DIRECTORS' REPORT

### PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTIES

### [Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC-2]

This Form is for disclosure of particulars of contracts/ arrangements entered into by Hinduja Global Solutions Limited ('HGS' or the 'Company') with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

### 1. Details of contracts or arrangements or transactions not at arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2026, which were not at arm's length basis.

### 2. Details of material contracts or arrangements or transactions at arm's length basis

| | | |
|---|---|---|
| a) | 1.Name of Related Party | HGS CX Technologies Inc. |
| | 2.Nature of Relationship | Wholly owned step-down subsidiary |
| b) | Nature of contract/ arrangement | Sub-contract Agreement |
| c) | Duration of Contract/ Arrangement | April 1, 2025 to March 31, 2026 |
| d) | 1. Salient terms of the Contract/ arrangement* | Your Company provides BPM services to HGS CX Technologies Inc. and diligently perform the contract in a timely manner and provide services in accordance with the SOWs. |
| | 2. Value | ₹ 4,609 million |
| e) | Dates of Board's approval(s) | Not applicable, since the contract was entered into in the ordinary course of business and at arm's length basis. |
| f) | Amount paid as advances, if any: | NIL |

**For and on behalf of the Board of Directors**

**Ashok P. Hinduja**
**Chairman**
**DIN: 00123180**

Place: Mumbai
Date : August 7, 2026

# Annexure 'G'

## TO THE DIRECTORS' REPORT
## Form No.: MR-3
## SECRETARIAL AUDIT REPORT
## FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,

The Members

**Hinduja Global Solutions Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hinduja Global Solutions Limited** (CIN: L92199MH1995PLC084610) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Hinduja Global Solutions Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 ("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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Hinduja Global Solutions Limited for the financial year ended 31st March, 2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as applicable;

(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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2026: -

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) The Management has identified and confirmed that the other laws as specifically applicable to the Company and it has proper system to comply with the applicable provisions of the respective Acts, Rules and Regulations;

I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has complied with the applicable provisions of: -

(a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;

(b) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

During the period under review, I am of the opinion that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

**I further Report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Directors. The changes in the composition of the Board of Directors that took place during the audit period under review were prima facie carried out in compliance with the provisions of the Act.
2. The Company has given adequate notice to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the Meetings.
3. All the decisions at the Meetings were carried out unanimously.
4. 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.
5. I further report that during the audit period, except for the events listed below, no specific events / actions which have a major bearing on the Company's affairs have taken place, in pursuance of the above referred laws, rules, regulations and standards.

   I report that during the audit period, following specific events / actions were undertaken by the Company: -

   a. Mr. Venkatesh Korla was appointed as the Global Chief Executive Officer and Key Managerial Personnel of the Company with effect from May 28, 2025.

   b. Mr. Mahesh Kumar Nutalapati had been designated/ appointed as the Global Chief Financial Officer and Key Managerial Personnel with effect from May 28, 2025.

   c. Mr. Srinivas Palakodeti ceased to be the Chief Financial Officer and Key Managerial Personnel of the Company after the close of business hours on May 28, 2025.

   d. Mr. Partha DeSarkar (DIN: 00761144) ceased to be the Whole-time Director and Key Managerial Personnel of the Company after the close of business hours on September 03, 2025.

   e. Mr. Amit Saharia (DIN: 10652099) was appointed as a Non-Executive Non-Independent Director with effect from September 25, 2025.

   f. Mr. Paul Abraham (DIN: 01627449) ceased to be a Non-Executive Non-Independent Director of the Company with effect from the conclusion of the 30th AGM held on September 25, 2025 as he did not offer himself for re-appointment.

   g. Mr. Anil Harish (DIN: 00001685), completed his second term of five consecutive years as an Independent Director of the Company on September 28, 2025, and consequently ceased to hold office with effect from the close of business hours on the said date.

   h. Mr. Sudhanshu Kumar Tripathi (DIN: 06431686) resigned from the position of Non-Executive Non-Independent Director of the Company with effect from September 30, 2025.

   i. Mr. Vynsley Fernandes (DIN: 02987818) was re-appointed as Whole-time Director of the company for a period of 3 years with effect from November 14, 2025.

   j. Mr. Virendra G Bhatt, Practicing Company Secretary, (Membership No.: A1157 and COP No. 124) was appointed as the Secretarial Auditor of the Company for a term of five consecutive years i.e. from FY 2025-26 to FY 2029-30.

   k. Our observation in respect of Section 186 of Companies Act, 2013 read with other applicable provisions and rules thereof, in respect of loans given, kindly refer Statutory Auditor's Report including CARO Report.

**Auditor's Responsibility:**

1. My responsibility is to only express the opinion on the compliance with the applicable laws and maintenance of Records based on audit.
2. I have conducted the audit in accordance with the applicable Auditing Standards prescribed by the Institute of Company Secretaries of India. These standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
3. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

**Virendra G. Bhatt**
**Practicing Company Secretary**
**ACS No.: 1157 / COP No.: 124**
**Peer Review Cert. No.: 6489/2025**

**Date:July 20, 2026**
**Place: Mumbai**
**UDIN:A001157H000888769**

*This report is to be read with the Annexure which forms an integral part of this report.*

## Annexure to the Secretarial Audit Report

To,

The Members

**Hinduja Global Solutions Limited**

My report of even date is to be read along with this annexure:

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Virendra G. Bhatt**
**Practicing Company Secretary**
**ACS No.: 1157 / COPNo.: 124**
**Peer Review Cert. No.: 6489/2025**

**Date:July 20, 2026**
**Place: Mumbai**
**UDIN:A001157H000888769**

# Annexure ‘H’

## TO THE DIRECTORS’ REPORT

**[Statement of Disclosures 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]**

**(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year; and the percentage increase in remuneration of each director in the financial year 2025-26;**

| Name of Directors | Ratio of Remuneration to MRE* | % increase / (decrease) in remuneration for FY 2025-26 |
|---|---|---|
| Mr. Ashok P. Hinduja | 0.96 | (42.86) |
| Ms. Bhumika Batra | 3.13 | (21.21) |
| Dr. Ganesh Natarajan | 2.53 | (8.7) |
| Mr. Pradeep Udhas | 2.77 | (17.86) |
| Mr. Munesh Khanna | 0.96 | (42.86) |
| Mr. Amit Saharia** | 1.33 | - |
| Mr. Anil Harish# | 1.69 | - |
| Mr. Sudhanshu Tripathi# | 1.81 | - |
| Mr. Paul Abraham# | 0.24 | - |

*MRE = Median Remuneration of Employees

**Appointed on September 25, 2025, hence, % increase / decrease is not applicable.

# Ceased to be the Board members during FY 2025-26, hence, % increase / decrease is not applicable.

**(ii) The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager (‘KMP’) in the financial year 2025-26;**

| Name of KMPs | Designation | % increase / (decrease) in remuneration for FY 2025-26 |
|---|---|---|
| Mr. Venkatesh Korla# | Global CEO | - |
| Mr. Vynsley Fernandes* | Whole-time Director | (19.4) |
| Mr. Mahesh Kumar Nutalapati# | Global CFO | - |
| Mr. Narendra Singh | Company Secretary | 3.5 |

#Mr. Venkatesh Korla and Mr. Mahesh Kumar Nutalapati have been appointed as the KMPs of the Company on May 28, 2025, hence, % increase in remuneration for FY 2025-26 is not applicable.

*Ratio of Remuneration to MRE: 59.99

**Note:**

i Annual remuneration includes fixed pay, perquisites and Annual Performance Incentive.

ii. Mr. Partha DeSarkar and Mr. Srinivas Palakodeti ceased to be the Whole-time Director & CEO and the CFO respectively during FY 2025-26. Hence, % increase/ decrease in remuneration or MRE, as the case may be, is not applicable.

**(iii) The percentage increase in the median remuneration of employees in the financial year 2025-26**

The median remuneration of employees (MRE) for FY 2025-26 increased by 3.73% as compared to FY 2024-25.

**(iv) The number of permanent employees on the rolls of the Company:** 17,213#

#Includes employees who were on the payroll for part of FY 2025-26 also.

**(v) 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 and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentage increase in the salaries of employees, other than KMPs, in the last financial year is 4.92% and the percentage decrease in the remuneration of KMPs is 12.1%. There has been decrease in the remuneration of KMPs primarily due to (a) the reduction in performance incentives compared to FY 2024-25 and (b) non-inclusion of remuneration paid to the Global CEO and the Global CFO as they have joined as the KMPs of the Company effective May 28, 2025.

**(vi) The Company affirms remuneration is as per the Remuneration Policy of the Company.**

**For and on behalf of the Board of Directors**

**Ashok P. Hinduja**
**Chairman**
**DIN: 00123180**

**Place: Mumbai**
**Date: August 07, 2026**

# Annexure I

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

## SECTION A: GENERAL DISCLOSURES

### I. Details of the Listed Entity

| | | |
|---|---|---|
| 1 | Corporate Identity Number (CIN) | L92199MH1995PLC084610 |
| 2 | Name | Hinduja Global Solutions Limited |
| 3 | Date of incorporation | 13/01/1995 |
| 4 | Registered office address | Tower C (1st Floor), Plot C-21, G Block, Bandra Kurla, Complex, Bandra East, Mumbai – 400051 |
| 5 | Corporate address | 1st Floor, Gold Hill Square Software Park, No. 690, Hosur Road, Bommanahalli, Bengaluru-560068 |
| 6 | E-mail | investor.relations@hgs.com |
| 7 | Telephone | +91 80 4643 1000/ 4643 1222 |
| 8 | Website | https://hgs.com/ |

**9. Financial year for which reporting is being done:**

| | Start date | End date |
|---|---|---|
| Current Financial Year | 01-04-2025 | 31-03-2026 |
| Previous Financial Year | 01-04-2024 | 31-03-2025 |
| Prior Previous Financial Year | 01-04-2023 | 31-03-2024 |

**10. Name of the Stock Exchange(s) where shares are listed:**

| Details of Stock Exchanges | | | |
|---|---|---|---|
| **S. No** | **Name of the Stock exchange** | **Description of other stock exchange** | **Name of the Country** |
| **1** | BSE Limited (BSE) | NA | India |
| **2** | National Stock Exchange of India Limited (NSE) | NA | India |

**11. Paid-up Capital (In Rs.):**

| |
|---|
| 46,52,02,850 |

**12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**

| | |
|---|---|
| **Name** | Ms. Shilpa Harsh |
| **Contact** | +91 80 4643 1000 / 4643 1222 |
| **E-mail** | Shilpa.Harsh@hgs.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).:**

Standalone basis

**14. Whether the company has undertaken reasonable assessment or assurance of the BRSR Core?**

No

**15. Name of assessment or assurance provider:**

| Name of assessment or assurance provider | | | | | |
|---|---|---|---|---|---|
| **S. No** | **Company / LLP / Firm Name** | **Company ID / LLP ID / Firm Registration No.** | **Name of assessment or assurance provider** | **Designation of assessor or assurer** | **Date of signing** |
| **NA** | | | | | |

16. **Type of assessment or assurance obtained:**

| Type of assessment or assurance obtained | | | | |
|---|---|---|---|---|
| **S. No** | **Particulars** | **Assessment / Assurance** | **if "Yes" selected in Partial Assessment / Assurance, please specify the Assessment / Assurance details** | **Remarks** |
| **Type of assessment or assurance obtained** | | NA | | |

## II. Products/services

17. **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** | Business Process Management Services (BPM) | Offers digital-led customer experience solutions, BPM and HRO services to clients globally | **59.43** |
| **2** | Digital Media Business | This business is India's premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers | **40.57** |

18. **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** | Business Process Management | 63999 | **59.43** |
| **2** | Digital Media Services | 6110 | **40.57** |

## III. Operations

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

| S. No | Location | Number of plants | Number of offices | Total |
|---|---|---|---|---|
| **1** | National | 98 | 48 | 146 |
| **2** | International | - | 14 | 14 |

20. **Markets served by the entity:**

a. **Number of locations**

| S. No | Locations | Number |
|---|---|---|
| **1** | National (No. of states) | 15 |
| **2** | International (No. of countries) | 9 |

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

21.85%

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

BPM Business: Your Company's customers are primarily HGS subsidiaries globally, who then provide tech-led Intelligent Experience solution, BPM and HRO services to and bill many of the world's largest brands on a B2B model across verticals.

Digital Media Business: The business model for the Digital Video business is a B2B2C model wherein the Company delivers digital signals via cable and satellite to Local Cable Operators who in turn re-distribute to retail consumers. The type of customers are basically Local Cable Operators who would be largely operating under sole proprietorship or partnership entities.

## IV. Employees

### 21. Details as at the end of Financial Year:

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

| Sl. No | Particulars | Total(A) | Male | | Female | | Other | |
|---|---|---|---|---|---|---|---|---|
| | | | No.(B) | %(B/A) | No.(C) | %(C/A) | No.(H) | %(H/A) |
| **Employees** | | | | | | | | |
| 1 | Permanent (D) | 6344 | 3430 | 54% | 2914 | 46% | - | 0.00 |
| 2 | Other than Permanent (E) | 4952 | 2888 | 58% | 2064 | 42% | - | 0.00 |
| 3 | Total employees (D + E) | 11296 | 6318 | 56% | 4978 | 44% | - | 0.00 |
| **Workers** | | | | | | | | |
| 4 | Permanent (F) | Nil/Not applicable | | | | | | |
| 5 | Other than Permanent (G) | | | | | | | |
| 6 | Total workers (F + G) | | | | | | | |

**b. Differently abled Employees and workers:**

| Sl. No | Particulars | Total(A) | Male | | Female | | Other | |
|---|---|---|---|---|---|---|---|---|
| | | | No.(B) | %(B/A) | No.(C) | %(C/A) | No.(H) | %(H/A) |
| **Differently abled Employees** | | | | | | | | |
| 1 | Permanent (D) | 20 | 15 | 75% | 5 | 25% | 0 | 0.00 |
| 2 | Other than Permanent (E) | - | | | | | | |
| 3 | Total differently abled employees (D + E) | 20 | 15 | 75% | 5 | 25% | 0 | 0.00 |
| **Differently abled Workers** | | | | | | | | |
| 4 | Permanent (F) | Nil/Not applicable- | | | | | | |
| 5 | Other than Permanent (G) | | | | | | | |
| 6 | Total differently abled workers (F + G) | | | | | | | |

### 22. Participation/Inclusion/Representation of women:

| | Total(A) | No. and percentage of Females | |
|---|---|---|---|
| | | No.(B) | %(B/A) |
| Board of Directors | 7# | 1 | 14% |
| Key Management Personnel | 3* | - | - |

*Other than one Whole-time Director.

i. Mr. Venkatesh Korla was appointed as Global Chief Executive Officer and Key Managerial Personnel of the Company w.e.f. May 28, 2025.

ii. Mr. Mahesh Kumar Nutalapati as Global Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. May 28, 2025

23 **Turnover rate for permanent employees and workers:**

**(Disclose trends for the past 3 years)**

| | FY 2026 (Turnover rate in current FY) | | | | FY 2025 (Turnover rate in previous FY) | | | | FY 2024 (Turnover rate in the year prior to the previous FY) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Other | Total | Male | Female | Other | Total | Male | Female | Other | Total |
| Permanent Employees | 57% | 64% | - | 60% | 32% | 41% | - | 36% | 24% | 14% | - | 38% |
| Permanent Workers | - | | | | | | | | | | | |

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

**24.a.Names of holding / subsidiary / associate companies / joint ventures**

| Sl. No | Name of the holding/ subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity |
|---|---|---|---|
| 1 | HGS International, Mauritius | Subsidiary | 100 |
| 2 | HGS Properties LLC, USA | Subsidiary | 100 |
| 3 | HGS Canada Inc., Canada | Subsidiary | 100 |
| 4 | Affina Company, Canada | Subsidiary | 100 |
| 5 | Hinduja Global Solutions UK Limited | Subsidiary | 100 |
| 6 | C-Cubed N.V., Curacao | Subsidiary | 100 |
| 7 | C-Cubed B.V., Netherlands | Subsidiary | 100 |
| 8 | HGS CX Technologies Inc. | Subsidiary | 100 |
| 9 | HGS St. Lucia Limited | Subsidiary | 100 |
| 10 | Team HGS Limited, Jamaica | Subsidiary | 100 |
| 11 | Falcon Health Solutions Puerto Rico Holding LLC | Subsidiary | 100 |
| 12 | Falcon Health Solutions Puerto Rico LLC | Subsidiary | 100 |
| 13 | Diversify Offshore Solutions Cebu Inc., Philippines | Subsidiary | 100 |
| 14 | Team HGS Australia Pty Ltd (formerly known as Diversify Offshore Staffing Solutions Pty Limited) | Subsidiary | 100 |
| 15 | Diversify ISS BGC Inc. Philippines | Subsidiary | 100 |

| Sl. No | Name of the holding/ subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity |
|---|---|---|---|
| 16 | HGS Colombia S.A.S | Subsidiary | 100 |
| 17 | Team HGS South Africa (Pty) Ltd | Subsidiary | 100 |
| 18 | HGS AG (Formerly known as Teklink International AG) | Subsidiary | 100 |
| 19 | Indusind Media & Communications Limited (IMCL) | Subsidiary | 79.75 |
| 20 | OneOTT Intertainment Limited (OneOTT) | Subsidiary | 71.65 |
| 21 | IN Entertainment (India) Limited# | Subsidiary | 100 |
| 22 | OneMahanet Intertainment Private Limited# | Subsidiary | 100 |
| 23 | Gold Star Noida Network Private Limited## | Subsidiary | 100 |
| 24 | Bhima Riddhi Infotainment Private Limited## | Subsidiary | 51 |
| 25 | Apna Incable Broadband Services Private Limited## | Subsidiary | 100 |
| 26 | U S N Networks Private Limited## | Subsidiary | 100 |
| 27 | United Mysore Network Private Limited## | Subsidiary | 99.45 |
| 28 | Sainath In Entertainment Private Limited## | Subsidiary | 51 |
| 29 | Sangli Media Services Private Limited## | Subsidiary | 51 |
| 30 | Goldstar Infotainment Private Limited## | Subsidiary | 98.93 |
| 31 | Darpita Trading Company Private Limited## | Subsidiary | 51 |
| 32 | Sunny Infotainment Private Limited## | Subsidiary | 99.98 |
| 33 | Ajanta Sky Darshan Private Limited## | Subsidiary | 100 |
| 34 | RBL Digital Cable Network Private Limited## | Subsidiary | 100 |
| 35 | Vistaar Telecommunication & Infrastructure Pvt Ltd## | Subsidiary | 99.85 |
| 36 | Vinsat Digital Private Limited## | Subsidiary | 51 |
| 37 | Seven Star Balaji Broadband Pvt Ltd# | Subsidiary | 51 |
| 38 | Customer Contact Centre Inc | Subsidiary | 100 |
| 39 | HGS Digital Private Limited* | Subsidiary | 100 |

# These entities are Subsidiaries of OneOTT and % shareholding represents shareholding of OneOTT.

## These entities are Subsidiaries of IMCL and % shareholding represents shareholding of IMCL.

*HGS Digital Private Limited was incorporated on April 1, 2025.

Note: HGS Mena FZ LLC has been voluntarily de-registered on July 23, 2025, hence, ceased to be a subsidiary of HGS.

**Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? : No**

## VI. CSR Details

**25. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)**

No

ii. Turnover (in ₹)

1827.12 Crore

iii. Net worth (in ₹)

2583.1 Crore

VII. Transparency and Disclosures Compliances

26. **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) | FY 2026 (Current Financial Year) | | | FY 2025 (Previous Financial Year) | | | If NA, then provide the reason |
|---|---|---|---|---|---|---|---|---|
| | | 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, HGS engages actively with local communities through its NGO partners and ongoing CSR initiatives in the regions where we operate. These partners maintain regular interactions with community members and act as key touchpoints for identifying concerns or feedback. In addition, community members can approach our on-site administrative teams at HGS centers to share grievances directly. We also provide formal channels for written communication, and concerns can be emailed to csr@hgs.com for social impact-related matters | - | - | - | - | - | - | - |
| Investors (other than shareholders) | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| Shareholders | Yes. There is a mechanism in place to interact, raise queries/ complaints at email ID: investor. relations@hgs. com | 10 | - | - | 4 | - | - | - |
| Employees and workers | Yes. There is a mechanism in place to interact, raise queries/ complaints at email ID: payroll@hgs.com PF-ESIC_helpdesk@ hgs.com We have set processes and systems in place to record employee complaints. It can be any channel such as HR ticketing system, secure@hgs.com, or emails to the BPHRs or written complaints. | 12 | 8 | - | - | - | - | - |
| Customers | Yes, customers can raise complaints on https:// nxtdigital.in | 4,09,326 | 297 | NA | 458596 | 354 | NA | NA |
| Value Chain Partners | Yes, vendors can write to the HGS' global procurement team at indiaprocurement@ hgs.com.; GlobalProcurement@ hgs.com; Globalprocurement_ PH@hgs.com | - | - | - | - | - | - | - |

27. **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**

| Sl. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1 | Societal: Technology advancement and Innovation | Opportunity/ Risk | Latest technology innovations in Artificial Intelligence and Automation etc. have started to enhance consumer delight and ensure societal good. This also provides more avenues for business growth and also an opportunity to improve internal process efficiencies | Implement governance oversight to approve use of AI tools | Positive for opportunity |
| 2 | Societal: Talent management: The company's ability to attract, develop and retain talent. | Risk | Challenges in hiring best in class talent with specific focus on AI, automation and other digital technology skills in alignment to our service offerings, combined with high attrition levels can impact the company's ability to fulfil demand and revenue. | Adequate and timely attention to the training needs and focus on employee engagement and support. Focus on employee retention and recognition efforts and talent development would mitigate the risk | Negative |
| 3 | Governance : Data privacy and information Security. | Risk | Evolving and sophisticated forms of cyber-attacks, ransomware attacks and security breaches that could potentially have a significant impact on the operations and client satisfaction levels, in addition to stringent penalties. | Continue to maintain a robust cybersecurity and data privacy framework with focus on region-specific data protection controls at various levels. Enable adequate investment in technology to prevent/ minimize incidents. | Negative |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

1. a. **Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**

| P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|
| Yes | - | Yes | Yes | Yes | Yes | - | Yes | Yes |

b. **Has the policy been approved by the Board? (Yes/No)**

| P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|
| Yes | - | Yes | Yes | Yes | Yes | - | Yes | Yes |

c. **Web Link of the Policies, if available**

| | |
|---|---|
| P1 | https://hgs.com/wp-content/uploads/2025/06/D291_Anti-Bribery-and-Anti-Corruption-Policy.pdf<br>https://hgs.com/wp-content/uploads/2025/06/D293_Conflict-Of-Interest-COI-Policy.pdf<br>https://hgs.com/wp-content/uploads/2024/06/HGS-Whistle-Blower-Policy-and-Vigil-Mechanism_0.pdf |
| P2 | - |
| P3 | https://hgs.com/wp-content/uploads/2024/01/D278_HGS-Diversity-Equity-and-Inclusion-DEI-Policy.pdf<br>https://hgs.com/wp-content/uploads/2025/05/D153_Policy-No-31_Prevention-Prohibition-and-Redressal-of-Sexual-Harassment-at-Workplace-Policy.pdf |
| P4 | https://hgs.com/wp-content/uploads/2024/04/D280_HGS-Global-Volunteering-Policy.pdf<br>https://hgs.com/wp-content/uploads/2023/03/CSR-POLICY_0.pdf<br>https://hgs.com/wp-content/uploads/2024/08/D282_Policy-No-47-Environment-Health-and-Safety.pdf |
| P5 | https://hgs.com/wp-content/uploads/2024/02/D283_Policy-No-48-Human-Rights-policy.pdf |
| P6 | https://hgs.com/wp-content/uploads/2024/04/D279_HGS-Environmental-Social-and-Governance-ESG-Policy.pdf<br>https://hgs.com/wp-content/uploads/2024/08/D282_Policy-No-47-Environment-Health-and-Safety.pdf |
| P7 | - |
| P8 | https://hgs.com/wp-content/uploads/2023/03/CSR-POLICY_0.pdf<br>https://hgs.com/wp-content/uploads/2024/01/D278_HGS-Diversity-Equity-and-Inclusion-DEI-Policy.pdf |
| P9 | https://hgs.com/wp-content/uploads/2024/04/D229_GDPR_Personal-Data-Privacy-Policy.pdf |

2. **Whether the entity has translated the policy into procedures. (Yes / No)**

| P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|
| Yes | - | Yes | Yes | Yes | Yes | - | Yes | Yes |

3. **Do the enlisted policies extend to your value chain partners? (Yes/No)**

| P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|
| Yes | - | Yes | Yes | Yes | Yes | - | Yes | Yes |

4. **Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**

| | |
|---|---|
| **P1** | ISO 27001:2022 – Information Security Management System<br>PCI-DSS – Payment Card Industry Data Security Standard<br>SOC 2 Type II: System & Organization Controls – Security, Availability, Confidentiality, Processing Integrity, Privacy |
| **P2** | - |
| **P3** | ISO 27001:2022 – Information Security Management System |
| **P4 – P8** | - |
| **P9** | ISO 9001:2015 – Quality Management System<br>ISO 27001:2022 – Information Security Management System<br>PCI-DSS – Payment Card Industry Data Security Standard<br>SOC 2 Type II: System & Organization Controls – Security, Availability, Confidentiality, Processing Integrity, Privacy |

**5. Specific commitments, goals and targets set by the entity with defined timelines, if any.**

| | |
|---|---|
| **P1 – P9** | Conduct regular reviews and updates of relevant policies within designated focus areas, ensuring ongoing compliance with established guidelines and requirements. Applicable metrics will be disclosed in the company's annual sustainability report, which is accessible via the corporate website. |

**6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**

| | |
|---|---|
| **P1-P9** | Conduct regular reviews and updates of relevant policies within designated focus areas, ensuring ongoing compliance with established guidelines and requirements. Applicable metrics will be disclosed in the company's annual sustainability report, which is accessible via the corporate website. |

## Governance, Leadership & Oversight

**7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

HGS recognizes its role in advancing environmental sustainability and is committed to reducing its environmental footprint by integrating ESG principles across its operations. Key initiatives include the adoption of energy-efficient technologies, increased use of cloud-based solutions, implementation of paperless processes, deployment of smart lighting and HVAC systems, promotion of remote and hybrid work models, and resource conservation programs aimed at reducing water, energy, and material consumption to improve energy efficiency. Since 2024, HGS has published a dedicated Sustainability Report annually, reinforcing its commitment to transparency and responsible business practices.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

Risk Management and ESG Committee

Ms. Bhumika Batra – Independent Director (Chairperson)

Mr. Pradeep Udhas – Independent Director – Member

Mr. Amit Saharia – Non-Independent Director – Member

**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. HGS has constituted an Risk Management and ESG Committee of the Board to oversee and guide decision-making on sustainability-related matters. The Committee comprises:**

- Ms. Bhumika Batra, Independent Director – Chairperson
- Mr. Pradeep Udhas, Independent Director – Member
- Mr. Amit Saharia, Non-Independent Director – Member

**10. Details of Review of NGRBCs by the Company**

| | Principles | Performance against above policies and follow up action | Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances |
|---|---|---|---|
| **Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee** | P1 – P9 | All relevant policies are periodically reviewed and updated by designated company authorities to ensure alignment with regulatory requirements and evolving business priorities. | |
| **Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)** | P1 | As needed | - |
| | P2 | NA | - |
| | P3 – P9 | As needed | - |

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 – P9** | No |

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) | - | Yes | - | - | - | - | Yes | - | - |
| 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) | | | | | | | | | |

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

## Principle 1

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

### Essential Indicators

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

| Segment | Total number oftraining 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 | 5 | During periodic meetings, the Board of Directors were briefed on key matters including regulatory updates, requirement to induct new Director, requirement of having Whole-time Director and compliances, briefing about implication of National Financial Reporting Authority circular, India's New Labour Codes, update on new brand launch. | 100% |
| Key Managerial Personnel | 5 | Regulatory update on merger, RPTs, CSR and awareness about POSH, DEI, Mental Health, Information Security, etc. | 100% |
| Employees other than BoD and KMPs | 576 | POSH (Prevention of Sexual Harassment) Training, Information Security Awareness, Diversity, Equity & Inclusion (DEI) Workshops, Workplace Safety Training, Mental Health and Well-being Sessions, Skill Development and Career Pathing, Customer Data Handling and Compliance (Process-Specific), Corporate Induction, etc. | 100% |
| Workers | - | - | - |

**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, No such instances recorded**

**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: Nil/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, the entity has a formal Anti-Bribery and Anti-Corruption Policy. The policy applies to all directors, employees, vendors, consultants, and contractors across HGS and its global subsidiaries, and strictly prohibits offering or accepting bribes, kickbacks, or undue advantages, either directly or through third parties. It restricts facilitation payments, mandates transparency in dealings with government bodies and third-party representatives, and requires Board approval for any political or charitable contributions. Violations may lead to severe disciplinary action, including termination. The policy is reviewed and updated regularly to ensure its effectiveness and alignment with stakeholder expectations.

https://hgs.com/wp-content/uploads/2025/06/D291_Anti-Bribery-and-Anti-Corruption-Policy.pdf

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

| | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| Directors | Nil | Nil |
| KMPs | | |
| Employees | | |
| Workers | | |

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

| | FY 2026 (Current Financial Year) | | FY 2025 (Previous Financial Year) | |
|---|---|---|---|---|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | - | Nil | - |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | 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.**

N.A.

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

| | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| Number of days of accounts payables | 87.60 | 86.37 |

9. **Open-ness of business**

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

| Parameter | Metrics | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|---|
| 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 in | a. Purchases (Purchases with related parties / Total Purchases) | 6% | 7% |
| | b. Sales (Sales to related parties / Total Sales) | 36% | 36% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 100% | 100% |
| | d. Investments ( Investments in related parties / Total Investments made) | 100% | 100% |

## PRINCIPLE 2

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

### Essential Indicators

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

| | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | Nil/N.A. | | |
| Capex | | | |

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

Yes. The Company is committed to sustainable sourcing practices and continually strives to procure goods in an environmentally and socially responsible manner.

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): HGS is not a manufacturing entity.

   b. E-waste: As a service-based company, HGS does not generate physical products or hazardous materials. All end-of-life equipment and waste, such as e-waste or recyclables, are responsibly managed through authorized vendors in compliance with applicable regulations.

   c. Hazardous waste: As a service-based company, HGS does not generate physical products or hazardous materials. All end-of-life equipment and waste, such as e-waste or recyclables, are responsibly managed through authorized vendors in compliance with applicable regulations.

   d. Other waste: - N.A.

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?**

   No. Extended Producer Responsibility (EPR) is not applicable to HGS, as the Company is a service-based organization and does not manufacture or sell physical products that fall under EPR regulations.

   **If not, provide steps taken to address the same**

   N.A.

## 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:**

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 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 | 3430 | 3239 | 94% | 3430 | 100% | - | 0% | 2225 | 65% | 1514 | 40% |
| Female | 2914 | 2563 | 88% | 2914 | 100% | 2914 | 100% | 0 | 0% | 901 | 31% |
| Other | - | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% |
| Total | 6344 | 5802 | 91% | 6344 | 100% | 2914 | - | 2225 | - | 2415 | 36% |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | 2888 | 2756 | 95% | 2688 | 93% | - | 0% | - | 0% | - | 0% |
| Female | 2064 | 1917 | 93% | 1903 | 92% | 25 | 1% | - | 0% | - | 0% |
| Other | - | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% |
| Total | 4952 | 4673 | 94% | 4591 | 93% | 25 | 1% | - | 0% | - | 0% |

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

| Category | Total (A) | % of workers covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 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 | N.A. | | | | | | | | | | |
| Female | | | | | | | | | | | |
| Other | | | | | | | | | | | |
| Total | | | | | | | | | | | |
| **Other than Permanent workers** | | | | | | | | | | | |
| Male | N.A. | | | | | | | | | | |
| Female | | | | | | | | | | | |
| Other | | | | | | | | | | | |
| Total | | | | | | | | | | | |

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

| | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| Cost incurred on wellbeing measures as a % of total revenue ssof the company | 1.10 | 1.07 |

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

| S. No | Benefits | FY 2026 (Current Financial Year) | | | FY 2025 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|---|
| | | 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.) |
| 1 | PF | 100% | N.A. | Yes | 100% | N.A. | Yes |
| 2 | Gratuity | 100% | N.A. | Yes | 100% | N.A. | Yes |
| 3 | ESIC/ Medical Insurance | 100% | N.A. | Yes | 100% | N.A. | Yes |

**Note:**

In Philippines, there is no requirement of PF and ESI.

All permanent employees (other than Philippines Branch Employees) are covered under PF and Gratuity from their date of joining.

**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 premises/offices of the entity are accessible to differently abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016. Further, the premises/offices of the entity are accessible to differently abled employees as per PH Republic Act No. 7277, Magna Carta for Persons with Disability

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. At HGS, diversity is core to the way we conduct business, as HGS is an equal opportunity employer. At HGS, we envision a diverse workplace-across gender, disability, sexual orientation, race, age, nationality, attitude, experience, etc. that offers an inclusive environment for everyone. This will ensure we learn, grow, respect and accept a diverse workforce, thereby helping us achieve our vision—"Together We Progress."

This policy provides a framework that sets out our workplace diversity, equity and inclusion objectives to meet our goal of being an employer of choice and a preferred business partner. The policy is accessible https://hgs.com/investors/corporate-policies

Further, the premises/offices of the entity are accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016 and PH Republic Act No. 7277, Magna Carta for Persons with Disability.

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

| | Permanent employees | | Permanent workers | |
|---|---|---|---|---|
| Gender | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 93% | 25% | N.A. | |
| Female | 91% | 85% | | |
| Other | - | - | | |
| Total | 92% | 72% | | |

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 | - |
| Other than Permanent Workers | |
| Permanent Employees | HGS has established processes and systems to record employee grievances through multiple channels, including the HR ticketing system, secure@hgs.com, emails to BPHRs, or written submissions. All complaints are acknowledged, reviewed, and classified as minor, major, or gross. As per the Employee Grievance Redressal Policy, minor issues are addressed by BPHRs within 48 hours, while major or gross misconduct cases are investigated by a designated committee within a defined timeline, typically 10 working days. Findings and decisions are communicated in writing, with an option for the employee to appeal to higher management if dissatisfied. |
| Other than Permanent Employees | Same as above |

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

| Category | FY 2026 (Current Financial Year) | | | FY 2025 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|
| | Total employees / workers in respective category(A) | No. of employees / workers in respective category, who are part of association(s) or Union(B) | % (B / A) | Total employees / workers in respective category(C) | No. of employees / workers in respective category, who are part of association(s) or Union(D) | % (D / C) |
| Total Permanent Employees | There is no Union/association in HGS that employees are affiliated | | | | | |
| Male | | | | | | |
| Female | | | | | | |
| Other | | | | | | |
| Total Permanent Workers | | | | | | |
| Male | | | | | | |
| Female | | | | | | |
| Other | | | | | | |

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

| Category | FY 2026 (Current Financial Year) | | | | | FY 2025 (Previous Financial Year) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 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 | 6318 | 7014 | 100% | 1269 | 37% | 7434 | 7434 | 100% | 3042 | 79% |
| Female | 4978 | 4978 | 100% | 1339 | 46% | 4497 | 4497 | 100% | 2377 | 85% |
| Other | - | - | 0% | - | 0% | - | - | 0% | - | 0% |
| Total | 11296 | 11296 | 100% | 2608 | 41% | 11931 | 11931 | 100% | 5419 | 82% |
| **Workers** | | | | | | | | | | |
| Male | - | | | | | | | | | |
| Female | | | | | | | | | | |
| Other | | | | | | | | | | |
| Total | | | | | | | | | | |

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

| Category | FY 2026 (Current Financial Year) | | | FY 2025 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|
| | Total (A) | No.(B) | % B/A | Total (C) | No.(D) | % D/C |
| **Employees** | | | | | | |
| Male | 3430 | 2851 | 83% | 3774 | 3547 | 94% |
| Female | 2914 | 2419 | 83% | 2893 | 2647 | 91% |
| Other | - | - | 0% | - | - | 0% |
| Total | 6344 | 5270 | 83% | 6667 | 6194 | 93% |
| **Workers** | | | | | | |
| Male | - | | | | | |
| Female | | | | | | |
| Other | | | | | | |
| **Total** | | | | | | |

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, at HGS, we are committed to maintaining high standards of occupational health and safety across all our offices. Key initiatives include the One-to-One Employee Assistance Program, fire drills, wellness rooms, emergency response teams (ERT), first aid support, regular workplace inspections, hazard identification and risk assessments, incident reporting and investigation mechanisms, and company-provided transport facilities. These efforts are further guided by our global ESG policies, including the Environmental Health & Safety Policy and the Human Rights Policy.

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

At HGS, the nature of our work does not involve any significant immediate hazards. However, we maintain a proactive approach to risk management through our ESG policies and risk registers, supported by mitigation plans. HGS is certified under ISO 9001 and ISO 27001, reinforcing our commitment to quality and information security. Our office premises are equipped with fire detection, alarm, and suppression systems, and regular workplace inspections are conducted. Quarterly mock drills are held to ensure preparedness for fire evacuations and medical emergencies. Additionally, in coordination with the BAED and OSH Committee, comprehensive safety checks are carried out across all sites every quarter.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)**

Yes, HGS has established safety incident reporting and management processes to ensure all work-related incidents are promptly reported, investigated, and closed with appropriate corrective actions. As part of the annual Occupational Safety and Health (OSH) exercise, building administrators conduct regular safety drills—such as fire and earthquake drills—with active participation from support staff. Similar drills are also conducted in our Philippines offices, ensuring employee awareness and preparedness across locations.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, HGS has taken a holistic approach to well-being to cover mental health, ergonomic health, physical health, and safety, delivered through digital channels—online yoga by experts, parental care, one-to-one help, etc.

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

| Safety Incident/Number | Category | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked) | Employees | - | - |
| | Workers | | |
| Total recordable work-related injuries | Employees | - | - |
| | Workers | | |
| No. of fatalities | Employees | - | - |
| | Workers | | |
| High-consequence work-related injury or ill health (excluding fatalities) | Employees | - | - |
| | Workers | | |

*** Including in the contract workforce**

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

The Company is committed to maintaining a safe and healthy work environment across all its facilities. Standard Operating Procedures (SOPs) for workplace safety have been established and are reviewed periodically. All employees undergo proper training on health, safety, and emergency response protocols. In addition, mock evacuation drills are conducted at least twice a year at each location to ensure preparedness and reinforce safety awareness.

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

| | FY 2026 (Current Financial Year) | | | FY 2025 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|
| | 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 | - | | | | | |
| Health & Safety | | | | | | |

**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% |

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.**

The Company has established Standard Operating Procedures (SOPs) for workplace health and safety, which are regularly reviewed and strengthened through audits and safety assessments. In locations where minor gaps, such as evacuation readiness or emergency response awareness, were identified, timely corrective actions were implemented. This included updating safety signage, reinforcing communication protocols, and ensuring employee participation in scheduled drills. To enhance overall preparedness, mock drills are conducted biannually at each site, promoting awareness and familiarisation with emergency procedures. These efforts reflect the Company's commitment to continuous improvement in maintaining a safe and secure work environment.

## 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 entity adopts a structured and inclusive approach to stakeholder identification, aligned with its business priorities, sustainability goals, and regulatory obligations. Key stakeholder groups internal (employees, management, Board) and external (customers, investors, suppliers, regulators, communities, NGOs, media, and industry bodies) are mapped through stakeholder analysis and materiality assessments. Inputs are also drawn from functional teams and compliance requirements under applicable laws. The list is periodically updated based on insights from grievance redressal systems, feedback mechanisms, and stakeholder engagement platforms.

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

| S. No | Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Details of other channels of communication | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Details of other frequency of engagement | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|---|---|---|
| 1 | Community members in project locations | Yes | On-ground engagement through implementing NGO partners, community meetings, field visits, local representatives and beneficiary interactions | NA | Monthly | Periodic engagement throughout project implementation and monitoring | Engagement focused on understanding community water needs, livelihood concerns and local environmental priorities. |
| 2 | Youth from disadvantaged backgrounds | Yes | On-ground engagement with community leaders through dedicated mobilisation officers appointed by the NGO, word-of-mouth and alumni networks | Domain-specific skills training for young women is conducted in three-month batches. Reporting, monitoring and evaluation are undertaken monthly. | Quarterly | Periodic engagement throughout project implementation and monitoring | The Skills for Her programme, implemented with NASSCOM Foundation across 3 years, focuses on training 180+ women across from technical backgrounds, including B.Sc., BCA and equivalent degrees, in emerging technologies to promote women's participation in technology careers. |

| S. No | Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Details of other channels of communication | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Details of other frequency of engagement | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|---|---|---|
| 3 | Shareholders/ Investors | No | Quarterly results, Investor presentation, Annual Report, Annual General Meeting, Earnings Call, emails, newspaper advertisements, Press Releases and disclosures to the Stock Exchanges and on website | NA | On a regular basis | NA | Responding to queries of investors, presenting business performance highlights, compliance requirements and making requisite information available in public domain |
| 4 | Regulators/ Policy makers | No | E-mails and/ or written communication, through Chamber of Commerce | NA | Need based | NA | Providing information, seeking clarifications and disclosures |
| 5 | Employees | No | E-mails, Townhall meetings, face-to-face meetings, newsletters, Internal Communications | NA | Regular basis | NA | Learnings and development, Trainings, engagement session, reward/ recognition, team building workshop, employee satisfaction survey |
| 6 | Vendors | No | E-mails, Phone calls, Face-to-face and virtual meetings | NA | Regular basis | NA | Engagements focus on compliance with supplier code of conduct, fair pricing, delivery timelines, quality standards, and responsible sourcing. |

## PRINCIPLE 5

**Businesses should respect and promote human rights**

### Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2026 (Current Financial Year) | | | FY 2025 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees / workers covered (B) | % (B / A) | Total (C) | No. of employees / workers covered (D) | % (D / C) |
| **Employees** | | | | | | |
| Permanent | 6318 | 6318 | 100% | 6667 | 6667 | 100% |
| Other than permanent | 4978 | 4978 | 100% | 5264 | 5264 | 100% |
| Total Employees | 11296 | 11296 | 100% | 11931 | 11931 | 100% |
| **Workers** | | | | | | |
| Permanent | - | | | | | |
| Other than permanent | | | | | | |
| Total Workers | | | | | | |

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

| Category | FY 2026 (Current Financial Year) | | | | | FY 2025 (Previous Financial Year) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No.(B) | % B/A | No.(C) | % C/A | | No.(E) | % E/D | No.(F) | % F/D |
| **Employees** | | | | | | | | | | |
| Permanent | 6344 | 461 | 7% | 5883 | 93% | 6667 | - | - | 6667 | 100% |
| Male | 3430 | 401 | 12% | 3029 | 88% | 3774 | - | - | 3774 | 100% |
| Female | 2914 | 60 | 2% | 2854 | 98% | 2893 | - | - | 2893 | 100% |
| Other | - | - | - | - | - | - | - | - | - | - |
| Other than permanent | 4952 | 414 | 8% | 4538 | 92% | 5264 | - | - | 5264 | 100% |
| Male | 2888 | 341 | 12% | 2547 | 88% | 3660 | - | - | 3660 | 100% |
| Female | 2064 | 73 | 4% | 1991 | 96% | 1604 | - | - | 1604 | 100% |
| Other | - | - | - | - | - | - | - | - | - | - |
| **Workers** | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |
| Other | | | | | | | | | | |
| Other than permanent | | | | | | - | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |
| Other | | | | | | | | | | |

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

| | Male | | Female | | Other | |
|---|---|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category (INR Lakhs) | Number | Median remuneration/ salary/ wages of respective category (INR Lakhs) | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)* | 6 | 7 | 1 | 13 | - | NA |
| Key Managerial Personnel | 4 | 150.33 | - | NA | NA | NA |
| Employees other than BoD and KMP | 3168 | 350 | 3153 | 262 | - | - |
| Workers | NA | - | NA | - | - | - |

**Exclude one whole-time director who is appearing under the row KMP**

**# Includes the employees who were on the payroll for part of FY 2025 – 26**

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

| | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| Gross wages paid to females as % of total wages | 42.78% | 31.9% |

**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

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

HGS has established internal mechanisms to address grievances related to human rights, as outlined in its Human Rights Policy. Employees who believe that a violation of the policy has occurred are encouraged to report the matter promptly to their Manager, Business Head, Human Resources (HR), Compliance team, or through the company's Whistle Blower mechanism. The policy also states that HGS does not tolerate retaliation against any employee who, in good faith, raises a concern or participates in an investigation regarding a possible violation.The responsibility for ensuring compliance with the policy and addressing reported concerns lies with the HR and Compliance teams.These mechanisms support the company's commitment to protecting and promoting human rights across all its operations.

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

<table>
<tr><th rowspan="2"></th><th colspan="3">FY 2026 (Current Financial Year)</th><th colspan="3">FY 2025 (Previous Financial Year)</th></tr>
<tr><th>Filed during the year</th><th>Pending resolution at the end of year</th><th>Remarks</th><th>Filed during the year</th><th>Pending resolution at the end of year</th><th>Remarks</th></tr>
<tr><td>Sexual Harassment</td><td>2</td><td>-</td><td>-</td><td>2</td><td>-</td><td>-</td></tr>
<tr><td>Discrimination at workplace</td><td rowspan="6">Nil/N.A.</td><td rowspan="6" colspan="5">Nil/Not applicable</td></tr>
<tr><td>Child Labour</td></tr>
<tr><td>Forced Labour/ Involuntary Labour</td></tr>
<tr><td>Wages</td></tr>
<tr><td>Other human rights related issues</td></tr>
<tr></tr>
</table>

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

| | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 2 | 2 |
| Complaints on POSH as a % of female employees / workers | - | - |
| Complaints on POSH upheld | 2 | 2 |

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

The Company conducts annual Voice of the Employee surveys and ICSAT, with participation enabled across all job levels. The 'Voice of the Employee' survey is administered periodically to gather continuous employee feedback. These initiatives, along with the open-door policy and grievance management systems, help in capturing and addressing employee concerns effectively. The Company's Principles and Code of Conduct are aligned with applicable laws to ensure fair and just resolution of grievances.

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

Yes

**10. Assessments for the year**

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Child Labour | 100% |
| Forced Labour/Involuntary Labour | 100% |
| Sexual Harassment | 100% |
| Discrimination at Workplace | 100% |
| Wages | 100% |

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

No concerns raised

## 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 | FY 2026 (Current Financial Year) | | FY 2025 (Previous Financial Year) | |
|---|---|---|---|---|
| | Value | Unit | Value | Unit |
| **From renewable sources** | | | | |
| Total electricity consumption (A) | - | GJ | - | - |
| Total fuel consumption (B) | - | GJ | - | - |
| Energy consumption through other sources (C) | - | GJ | - | - |
| Total energy consumed from renewable sources (A+B+C) | - | GJ | 0 | GJ |
| **From non-renewable sources** | | | | |
| Total electricity consumption (D) | 47984.48 | GJ | 41189.54 | GJ |
| Total fuel consumption (E) | 282.36 | GJ | 233.95 | GJ |
| Energy consumption through other sources (F) | - | - | - | - |
| Total energy consumed from non-renewable sources (D+E+F)) | 48266.84 | GJ | 41423.50 | GJ |
| Total energy consumed (A+B+C+D+E+F) | 48266.84 | GJ | 41423.50 | GJ |
| Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) | - | GJ/rupee | - | GJ/rupee |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | - | GJ/USD | - | GJ/USD |
| Energy intensity in terms of physical output – Full-Time Equivalent (FTE) | - | | | |
| Energy intensity (optional) | | | | |

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

N.A.

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

N.A.

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

| Parameter | FY 2026 (Current Financial Year) | | FY 2025 (Previous Financial Year) | |
|---|---|---|---|---|
| | Value | Unit | Value | Unit |
| **Water withdrawal by source (in kilolitres)** | | | | |
| (i) Surface water | Water is used only for general usage and consumption | | | |
| (ii) Groundwater | | | | |
| (iii) Third party water | | | | |
| (iv) Seawater / desalinated water | | | | |
| Others | | | | |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | | | | |
| Total volume of water consumption (in kilolitres) | | | | |
| Water intensity per rupee of turnover (Total water consumption / Revenue from operations) | | | | |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | | | | |
| Water intensity in terms of physical output – Full-Time Equivalent (FTE) | | | | |
| Water intensity (optional) – | | | | |

**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.**

N.A.

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

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| | Value | Value |
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) To surface water | Not Applicable as company operates out of rented/leased premises | |
| - No treatment | | |
| - With treatment | | |
| - Primary treatment | | |
| - Secondary treatment | | |
| - Tertiary treatment | | |
| (ii) To Groundwater | | |
| - No treatment | | |
| - With treatment | | |
| - Primary treatment | | |
| - Secondary treatment | | |
| - Tertiary treatment | | |
| (iii) To Seawater | | |
| - No treatment | | |
| - With treatment | | |
| - Primary treatment | | |

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| | Value | Value |
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| - Secondary treatment | - | |
| - Tertiary treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | | |
| - With treatment | | |
| - Primary treatment | | |
| - Secondary treatment | | |
| - Tertiary treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment | | |
| - Primary treatment | | |
| - Secondary treatment | | |
| - Tertiary treatment | | |
| Total water discharged (in kilolitres) | | |

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

No

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

N.A.

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

| Parameter | FY 2026 (Current Financial Year) | | FY 2025 (Previous Financial Year) | |
|---|---|---|---|---|
| | Value | Please specify unit | Value | Please specify unit |
| NOx | N.A. | | | |
| SOx | | | | |
| Particulate matter (PM) | | | | |
| Persistent organic pollutants (POP) | | | | |
| Volatile organic compounds (VOC) | | | | |
| Hazardous air pollutants (HAP) | | | | |

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

No

Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions and/or calculation tools used.

N.A.

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

| Parameter | Unit | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|---|
| Total Scope 1 Emissions | Metric tonnes of CO2 equivalent | 21.55 | 18.45 |
| Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available | | | |
| CO2 | Metric tonnes of CO2 equivalent | 21.28 | 18.14 |
| CH4 | Metric tonnes of CO2 equivalent | 0.03 | 0.03 |
| N20 | Metric tonnes of CO2 equivalent | 0.32 | 0.28 |
| HFCs | Metric tonnes of CO2 equivalent | - | |
| PFCs | Metric tonnes of CO2 equivalent | | |
| SF6 | Metric tonnes of CO2 equivalent | | |
| NF3 | Metric tonnes of CO2 equivalent | | |
| Total Scope 2 Emissions | Metric tonnes of CO2 equivalent | 9675 | 8499 |
| Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available | | | |
| CO2 | Metric tonnes of CO2 equivalent | 9675 | 8499 |
| CH4 | Metric tonnes of CO2 equivalent | - | |
| N20 | Metric tonnes of CO2 equivalent | | |
| HFCs | Metric tonnes of CO2 equivalent | | |
| PFCs | Metric tonnes of CO2 equivalent | | |
| SF6 | Metric tonnes of CO2 equivalent | | |
| NF3 | Metric tonnes of CO2 equivalent | | |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | Metric tonnes of CO2 equivalent/rupee | - | - |
| 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) | Metric tonnes of CO2 equivalent/USD | - | - |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output – Full-Time Equivalent (FTE) | - | - | - |
| Total Scope 1 and Scope 2 emission intensity (optional)- | - | - | - |

**Note:,Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. : No**

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

No

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

a. **Total Waste generated**

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| | Value | Value |
| **Total Waste generated (in metric tonnes)** | | |
| Plastic waste | - | - |
| E-waste | 16.81 | 6.08 |
| Biomedical waste | - | |
| Construction and demolition waste | | |
| Battery waste | | |
| Radioactive waste | | |
| **Other Hazardous waste** | | |
| **Other Non-hazardous waste** | | |
| Food Waste | - | - |
| Paper and Cardboard Waste | - | - |
| Total Waste Generated | 16.81 | 6.08 |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (Metric ton/rupee) | - | |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (Metric ton/USD) | | |
| Waste intensity in terms of physical output – Full-Time Equivalent (FTE) () | | |
| Waste intensity (optional) – | | |

b. **For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

**Total Waste**

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste: Total Waste | | |
| (i) Recycled | Nil | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |

**Category-wise breakdown**

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste: Plastic waste | | |
| (i) Recycled | Entire waste is responsibly disposed off | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste: E-waste | | |
| (i) Recycled | Nil | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste: Biomedical waste | | |
| (i) Recycled | Nil | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste: Construction and demolition waste | | |
| (i) Recycled | Nil | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste: Battery waste | | |
| (i) Recycled | Nil | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |

| Parameter | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste: Radioactive waste | | |
| (i) Recycled | Nil | |
| (ii) Re-used | | |
| (iii) Other recovery operations | | |
| Total | | |

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

No

**Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions and/or calculation tools used.**

N.A.

**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**

As a business process management and digital services provider, HGS does not use hazardous or toxic chemicals in its operations, resulting in negligible generation of hazardous waste. For electronic waste and related disposables, HGS partners with authorized third-party vendors to ensure safe collection, disposal, and recycling in line with applicable e-waste management regulations. Additionally, across our delivery centers, we promote responsible resource usage, conduct periodic clean-up drives, and encourage digital-first practices to minimize physical waste generation.

**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: No**

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

**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: No**

## PRINCIPLE 7

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

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

7

**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 Services | Active member of Nasscom nationally and globally |
| 2 | Confederation of Indian Industry (CII) | Active member of CII, especially in Karnataka Chapter |
| 3 | Bangalore Chamber of Industry and Commerce (BCIC) | Active member of the Association – Karnataka. |
| 4 | IT and Business Process Association of the Philippines (IBPAP) | Active member of the Association. |
| 5 | Federation of Indian Chamber of Commerce of the Philippines Inc (FICCI PH) | Active member of the Association. |
| 6 | ANZCHAM (Australian-New Zealand Chamber of Commerce Philippines | Active Member of the Association. |
| 7 | Society for Cable Telecommunication Engineers | CEO of HGS Digital Media Business Mr. Fernandes is the Hon. Chairman of the Society. |

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

| Name of authority | Brief of the case | Corrective action taken |
|---|---|---|
| No Adverse Remark from regulatory authorities | | |

## 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.**

| S. No | 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. As per the applicable provision, the Company is not required to conduct Social Impact Assessment. | | | | | | |

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

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

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

HGS actively engages with local communities through its NGO partners and ongoing CSR initiatives in the regions where it operates. These partners maintain regular dialogue with community members and serve as key touchpoints for identifying concerns and feedback. Additionally, community members may directly approach on-site administrative teams at HGS centers to share grievances. Formal channels are also available – social impact-related concerns can be emailed to csr@hgs.com, while governance, shareholder, or business-related queries can be addressed to investor.relations@hgs.com. These mechanisms ensure that community and stakeholder grievances are acknowledged, escalated appropriately, and resolved in a timely and transparent manner.

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

| | FY 2026 (Current Financial Year) | FY 2025 (Previous Financial Year) |
|---|---|---|
| Directly sourced from MSMEs/ small producers | 4% | 18% |
| Directly from within India | 96% | 89% |

**Note: The percentage calculations were based on the quantity of input materials sourced.**

## 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.**

**BPM Business:**

HGS conducts an Annual Customer Satisfaction Survey between September and November to gather client feedback on service delivery. The survey aims to identify areas for improvement, enhance customer satisfaction, and gain strategic insights from the client's perspective. Administered by a third-party market research partner, the survey covers Net Promoter Score (NPS), key performance metrics, expectations, strengths, improvement areas, and business performance feedback. Survey findings are analysed and shared with relevant leadership, verticals, and functions to formulate action plans. Once implemented, updates are shared with respective clients. This initiative is centrally managed by the Business Excellence & Transformation team.

**Digital Media Business:**

In accordance with TRAI's Quality of Service Regulations (2017), HGS has established robust customer and partner support mechanisms, including:

- Toll-free call centres for customer and partner queries
- Self-care portals and mobile apps for complaint registration and ticket creation
- State-wise and national-level nodal officers listed on the company website for grievance escalation in case of unresolved issues

These mechanisms ensure structured feedback collection, stakeholder engagement, and effective grievance redressal in both business segments.

**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 | N.A. |
| Safe and responsible usage | |
| Recycling and/or safe disposal | |

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

| | FY 2026 (Current Financial Year) | | Remarks | FY 2025 (Previous Financial Year | | Remarks |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | Nil | | | | | |
| Advertising | | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | | | | | |
| Restrictive Trade Practices | | | | | | |
| Unfair Trade Practices | | | | | | |
| Other (consumers) | 409326 | 297 | - | 458596 | 354 | - |

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

| | Number | Reasons for recall |
|---|---|---|
| Voluntary recalls | N.A. | |
| 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.**

   HGSL is committed towards protecting the data of customers and its employees. The principles and policy regarding data privacy are available on our website at:
   https://hgs.com/policies/privacy/
   https://nxtdigital.in/terms-and-conditions

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**

   N.A.

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

   a. **Number of instances of data breaches**

      Nil

   b. **Percentage of data breaches involving personally identifiable information of customers**

      Nil

   c. **Impact, if any, of the data breaches**

      N.A.

# AUDITOR'S REPORT

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Hinduja Global Solutions Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Hinduja Global Solutions Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of material accounting policies and other explanatory information in which are incorporated the return for the year ended on that date audited by the branch auditor of the branch of the Group located at Philippines (hereinafter referred to as "Consolidated Financial Statements").

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 branch auditor and other auditors on separate financial statements and on the other financial information of the subsidiaries as noted 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 accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

**Emphasis of Matter**

We draw attention to Note 62 to the consolidated financial statements, regarding the GAAR-related income- tax proceedings and the writ petition filed by the Holding Company before the Hon'ble Bombay High Court against the directive issued by the GAAR Panel to disregard the brought forward losses of the demerged entity, resulting in a potential tax demand of ₹ 281.59 crore. As stated in the said note, the Hon'ble Bombay High Court has granted an interim stay on the implementation of the GAAR Panel directive, and the matter is currently sub judice. Pending the final outcome of the proceedings and based on management's assessment supported by external legal advice, no adjustment has been considered necessary in the consolidated financial statements and the matter has been disclosed as a contingent liability. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. 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.

# AUDITOR'S REPORT

| Sr. No. | Key audit matters | How our audit addressed the key audit matter |
|---|---|---|
| 1. | **Intercorporate deposits and investment in non – convertible debentures (NCD) to the certain parties including related parties**<br>As described in note 6a, Note 6b, note 7, note 14 and note 45, the Group has given intercorporate deposits and NCDs of INR 6,025.23 crore (March 31, 2025 Rs. 5,561.97 crore) to certain parties including its related parties. We identified the aforesaid transactions with certain parties' including its related parties and its classification and disclosure, as set out in respective notes to the Consolidated financial statements, was a significant area of focus and hence, considered it as a Key Audit Matter. | • Obtained an understanding of the Group's policies and procedures in respect of identification, approval, accounting, assessment of arm's length, and disclosure of Intercompany deposits and NCDs ('related party transaction') to the related parties. We also understood design and implementation of controls and tested the operating effectiveness of these controls.<br>• In respect of unsecured loans given to other entities, we have reviewed the legal assessment by an external legal counsel appointed by the management in assessing and concluding such entities as not a related party under Ind AS 24, Related Party Disclosures.<br>• Obtained a list of related parties from the management and traced the related parties to declarations given by directors, where applicable.<br>• Read minutes of the meetings of the Board of Directors and Audit Committee, to trace the related party transactions with limits approved by Audit Committee/ Board of Directors, providing an unanimous approval of all independent directors present at the meeting approving the placement of unsecured intercorporate deposits and NCDs to related parties, including to the promoter shareholders, the terms thereof, degree of credit risk associated with the respective borrowers, the purpose and business rationale for giving intercorporate deposits, and NCDs and the arms' length interest rates considered.<br>• Tested such related party transaction on a sample basis, with the underlying contracts, confirmation letters and other supporting documents.<br>• Validated the Groups' assessment with respect to compliance, as applicable with the relevant provision of the Act on arm's length principles.<br>• Inspected Managements evaluation of recoverability by reference to the audited or unaudited financial statements as applicable including credit ratings of the respective borrowers.<br>• Reviewed the classification and disclosures in the Consolidated Ind AS financial statements to assess whether the classification and disclosures are in accordance with the requirement of Schedule III and Ind AS 24 Related Party Disclosure. |
| 2. | **Impairment of the carrying value of Goodwill**<br>As described in Note 40, the Group has annually carried out an impairment assessment of goodwill for every cash -generating unit (CGU) it belongs to using a value-in-use model which is based on the net present value of the forecast earnings of the respective CGU. Based on such test, | • Obtained an understanding of Management processes and controls with regard to testing the goodwill impairment.<br>• Evaluated the design and tested the operating effectiveness of internal controls over management's goodwill impairment evaluation.<br>• Evaluated the independence of the specialists engaged by the Company and reviewed the valuation report issued by such specialists.<br>• Compared the assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates. |

| | | |
|---|---|---|
| | the recoverable amount being higher than the carrying amount of CGU and accordingly, no adjustment for impairment is considered necessary. We considered this as a key audit matter because of the significant carrying value of goodwill in every CGU and high estimation uncertainty in assumptions used such as discount rate, rate of growth over the estimation period and terminal growth rate which are affected by future market and economic conditions and, hence, are inherently uncertain. | • Assessed the appropriateness of the forecast cash flows within the budgeted period based on their understanding of the business.<br>• Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved.<br>• Assessed the management process of allocating goodwill acquired on business combination to respective CGU linking it to the concerned business process management activity.<br>• For each CGU identified for impairment testing, we have checked the mathematical accuracy of the calculations.<br>• We also assessed the adequacy of related disclosures for impairment of goodwill in note 40, note 1(b) (viii) for use of estimates and judgements and 1(u) of the consolidated financial statements for the related accounting policy on impairment of goodwill. |

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Director's report, Corporate Overview, Management Discussion & Analysis Report, Business responsibility and sustainability report and Corporate Governance report, but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon. The Director's report, Corporate Overview, Management Discussion & Analysis Report, Business responsibility and sustainability report and Corporate Governance report are expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's report, Corporate Overview, Management Discussion & Analysis Report, Business responsibility and sustainability report and Corporate Governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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; the 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 Holding Company, as aforesaid.

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

# AUDITOR’S REPORT

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

**Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and subsidiary companies which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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, entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities including branch included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit

# AUDITOR'S REPORT

matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

(a) We did not audit the financial statements of one foreign branch included in the audited consolidated financial statements of the Holding Company included in the Group, whose financial information reflect total assets of Rs. 953.58 crore as at March 31, 2026, total revenues of Rs. 307.22 crore for the year ended March 31, 2026, total net profit after tax of Rs. 34.75 crore and total comprehensive income of Rs. 34.75 crore for the year ended March 31, 2026, respectively and net cash outflows of Rs. 19.95 crore for the year ended March 31, 2026 as considered in the respective standalone financial statements of the Holding Company included in the Group. The financial statements of the branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

This Branch is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial statements of such Branch located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management. Our report in so far as it relates to the balances and affairs of such branch located outside India is based on the report of the respective independent auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) We did not audit the financial statements of 25 subsidiaries, whose financial statements reflects total assets of Rs. 10,496.74 crore as at March 31, 2026, total revenues of Rs. 1,654.82 crore, total net profit after tax of Rs. 480.03 crore and Other comprehensive Income of Rs. 481.83 crore for the year ended March 31, 2026, respectively and net cash outflow of Rs. 178.17 crore 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 section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Some of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by respective independent auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements 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 Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India are based on the reports of respective independent auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(c) We did not audit the financial statements of 11 subsidiaries, whose financial statements reflects total assets of Rs. 279.47 crore as at March 31, 2026, total revenues of Rs. 97.48 crore, total net loss after tax of Rs. 26.37 crore and Other comprehensive Income of Rs. (26.37) crore for the year ended March 31, 2026, respectively and net cash inflow of Rs. 77.77 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management of the Holding Company, these financial statements are not material to the Group.

# AUDITOR'S REPORT

Our opinion on the consolidated financial statements 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 of the Holding Company.

**Report on Other Legal and Regulatory Requirements**

(1) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and taking into consideration the reports of other auditors on separate financial statements of subsidiaries included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report in "Annexure 1" the details of the qualifications or adverse remarks reported in the aforesaid CARO reports.

(2) As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the branch and other auditors on separate financial statements and the other financial information of the branch and subsidiaries as noted 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 so far as it appears from our examination of those books except for the matters stated in paragraph 1(j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014;

c. The reports on the accounts of the branch office of the Holding Company included in the Group audited under section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with in preparing this report;

d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received by us from the branch not visited by us and other auditors;

e. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;

g. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 1(j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

i. 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 by the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, the remuneration paid/ provided to the directors during the year by the Holding Company and subsidiary companies incorporated in India is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act;

# AUDITOR'S REPORT

j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 37(a) to the consolidated financial statements;

(ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 46 to the consolidated financial statements in respect of such items as it relates to the Group;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

(iv) (a) Based on our audit report on separate financial statements of the Holding Company and consideration of reports of the other auditors on separate financial statements of its subsidiary companies incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiaries have represented that, other than those disclosed in Notes to Account of the consolidated financial statements, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group 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, whether, 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;

(iv) (b) Based on our audit report on separate financial statements of the Holding Company and consideration of reports of the other auditors on separate financial statements of its subsidiary companies, incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiaries have represented that, to the best of their knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, and consideration of reports of the other auditors on separate financial statements of the subsidiary companies incorporated in India, whose financial statements have been audited under the Act, 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 Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable. Further, based on the audit reports of the subsidiary companies incorporated in India, dividend declared and paid by subsidiary companies during the year and until the date of the report is in compliance with section 123 of the Act, as applicable.

(vi) Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and subsidiaries have used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during

# AUDITOR’S REPORT

the course of our audit, we and respective auditors of the above referred subsidiaries, did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and above referred subsidiaries as per the statutory requirements for record retention.

- Auditor of one subsidiary company has reported that, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 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. However, the SAP Application has a feature to disable the audit logs. Further, as confirmed admin (person having access to change audit trail configuration) activity logs were not reviewed during the audit period by the management. Further, during the course of our audit we did not come across any instance of audit trail feature being tempered with and the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention.
- Auditor of one subsidiary company has reported that, the Company, has used an accounting software for maintaining its books of account which has the feature of recording audit trail (edit log) facility. However, the same was not operated throughout the year for all relevant transactions recorded in the software. Accordingly, we are not able to comment on whether audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and whether this feature being tampered with during the year. Further, due to no audit trail (edit log) facility, we are not able to comment on whether the audit trail has been preserved by the company as per the statutory requirements for record retention.
- Auditor of one subsidiary company has reported that, the Company is using an accounting software for maintaining its books of account which has feature of recording audit trail (edit log) facility. But the company enabled the feature of recording audit trail (edit log) from July 20, 2024 during the year. Further during the course of audit, we have not come across any instance of audit trail feature being tempered with the period it was enabled.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

**Snehal Shah**
Partner
Membership No. 048539
UDIN: 26048539TOAJLN8836

Place: Mumbai
Date: May 29, 2026

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Hinduja Global Solutions Limited ("the Holding Company") on the consolidated financial statements for the year ended March 31, 2026]

According to the information and explanations given to us, and based on the reports issued under the Order by:

i) us for the Holding Company; and

ii) the respective auditors of the subsidiaries;

included in the consolidated financial statements of the Company, to which reporting under the Order is applicable, the details of qualifications or adverse remarks are as below:

| Sr. No. | Name | CIN | Holding Company /Subsidiary | Clause number of the CARO report which is qualified or adverse |
|---|---|---|---|---|
| 1 | Hinduja Global Solutions Limited | L92199MH1995PLC084610 | Holding Company | Clause iii(a), iii(e), vii(a), vii(b), xvii |
| 2 | Bhima Riddhi Infotainment Private Limited | U92132PN2008PTC131520 | Subsidiary Company | i (c) ,vii (a) & (b) |
| 3 | Darpita Trading Company Private Limited | U51900MH2008PTC186699 | Subsidiary Company | vii (b) |
| 4 | Sainath IN Entertainment Private Limited | U92190MH2009PTC196339 | Subsidiary Company | vii (b) |
| 5 | Sangli Media Services Private Limited | U92100PN2008PTC133058 | Subsidiary Company | vii (b) |
| 6 | Vinsat Digital Private Limited | U74220AP2012PTC084081 | Subsidiary Company | iii (a), vii (b) |
| 7 | Oneott Intertainment Limited | U74110MH2000PLC129434 | Subsidiary Company | iii (a), iii (f) and vii(c) |
| 8 | IndusInd Media & Communications Limited | U92132MH1995PLC085835 | Subsidiary Company | iii (a), iii (f) |

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

**Snehal Shah**
Partner
Membership No. 048539
UDIN: 26048539TOAJLN8836

Place: Mumbai
Date: May 29, 2026

# ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Hinduja Global Solutions Limited on the consolidated financial statements for the year ended March 31, 2026]

**Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Hinduja Global Solutions Limited ("Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company including branch located at Philippines and its nineteen subsidiary companies (including seventeen step down subsidiaries) which are companies incorporated in India, as of that date.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of Holding Company including branch located at Philippines and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other 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 Holding Company including branch located at Philippines and its subsidiary companies incorporated in India.

**Meaning of Internal Financial Controls with reference to Financial Statements**

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

# ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT

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

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 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 and to the best of our information and according to the explanations given to us and based on consideration of reporting of the branch auditor and other auditors as mentioned in Other Matters paragraph below, the Holding Company including branch located at Philippines and its subsidiary companies which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matters**

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one foreign branch and nineteen subsidiary companies which are companies incorporated in India, is based on the corresponding reports issued by branch auditor and the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

**Snehal Shah**
Partner
Membership No. 048539
UDIN: 26048539TOAJLN8836

Place: Mumbai
Date: May 29, 2026

# CONSOLIDATED BALANCE SHEET

**(All amounts are in ₹ Crore)**

| Particulars | | Notes | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| a) | Property, plant and equipment | 2 | 391.37 | 387.79 |
| b) | Right to use asset | 3 | 963.54 | 1,019.04 |
| c) | Capital work-in-progress | 2 | 15.65 | 8.78 |
| d) | Investment Property | 5 | 21.54 | 22.04 |
| e) | Other intangible assets | 4a | 426.35 | 497.99 |
| f) | Goodwill | 4b | 1,092.47 | 995.43 |
| g) | Intangible assets under development | 4a | 2.78 | - |
| h) | Financial Assets | | | |
| | (i) Investments | 6a | 103.18 | 220.58 |
| | (ii) Loans | 7 | 1.50 | 1.50 |
| | (iii) Other financial assets | 8 | 88.95 | 79.44 |
| i) | Deferred tax assets (net) | 42 | 42.45 | 102.39 |
| j) | Income tax assets (net) | 9a | 354.84 | 328.42 |
| k) | Other non-current assets | 10 | 49.25 | 38.54 |
| **Total non-current assets** | | | **3,553.88** | **3,701.94** |
| **Current assets** | | | | |
| a) | Inventories | 11 | 30.84 | 25.92 |
| b) | Financial Assets | | | |
| | (i) Investments | 6b | 4,040.42 | 3,422.61 |
| | (ii) Trade receivables | 12 | 871.82 | 764.48 |
| | (iii) Cash and cash equivalents | 13a | 568.94 | 751.69 |
| | (iv) Bank balances other than (iii) above | 13b | 121.11 | 104.24 |
| | (v) Loans | 14 | 1,880.72 | 1,929.62 |
| | (vi) Other financial assets | 15 | 135.19 | 176.00 |
| c) | Other Current assets | 16 | 360.73 | 295.54 |
| **Total current assets** | | | **8,009.77** | **7,470.11** |
| **Total assets** | | | **11,563.65** | **11,172.05** |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| a) | Equity share capital | 17 | 46.52 | 46.52 |
| b) | Other equity | | 8,269.98 | 7,661.60 |
| | Equity attributable to the equity holders of the company | | 8,316.50 | 7,708.12 |
| c) | Non-controlling interest | | 119.60 | 146.73 |
| **Total Equity** | | | **8,436.10** | **7,854.84** |
| **Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| a) | Financial Liabilities | | | |
| | (i) Borrowings | 18a | 227.72 | 330.08 |
| | (ii) Lease Liabilities | 19a | 360.05 | 417.70 |
| | (iii) Other financial liabilities | 20 | 21.29 | 4.95 |
| b) | Provisions | 21 | 67.71 | 216.06 |
| c) | Contract liabilities | 25 | 0.32 | 0.25 |
| d) | Deferred tax liabilities (net) | 42 | 52.42 | 22.11 |
| e) | Other non-current liabilities | | 0.02 | - |
| **Total non-current liabilities** | | | **729.53** | **991.16** |
| **Current liabilities** | | | | |
| a) | Financial Liabilities | | | |
| | (i) Borrowings | 18b | 1,066.30 | 856.82 |
| | (ii) Lease Liabilities | 19b | 313.84 | 338.57 |
| | (iii) Trade payables | | | |
| | i. Total outstanding dues of micro enterprises and small enterprises | 22 | 5.30 | 3.78 |
| | ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | 22 | 345.94 | 505.31 |
| | (iv) Other financial liabilities | 23 | 258.21 | 340.66 |
| b) | Provisions | 24 | 45.80 | 36.85 |
| c) | Contract liabilities | 26 | 37.02 | 48.90 |
| d) | Current Tax Liabilities (Net) | 8b | 71.85 | 59.25 |
| e) | Other current liabilities | 27 | 253.76 | 135.90 |
| **Total current liabilities** | | | **2,398.02** | **2,326.04** |
| **Total liabilities** | | | **3,127.55** | **3,317.21** |
| **Total equity and liabilities** | | | **11,563.65** | **11,172.05** |

**The accompanying notes form as integral part of these consolidated financial statements.**
*** Refer Note 63**

**As per our report of even date**

**For Haribhakti & Co. LLP**
Firm registration no. 103523W / W100048
Chartered Accountants
**Snehal Shah**
Partner
Membership No. 048539

**Place : Mumbai**
**Date : May 29, 2026**

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Pradeep Udhas**
Independent Director
DIN: 02207112
**Place : Mumbai**

**Venkatesh Korla**
Chief Executive Officer
**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818
**Place : Mumbai**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer
**Place : Mumbai**
**Date : May 29, 2026**

**Narendra Singh**
Company Secretary
**Place : Mumbai**

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

**(All amounts are in ₹ Crore, except per share data)**

| | Particulars | Notes | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|---|
| | **CONTINUING OPERATIONS** | | | |
| I | Revenue from operations | 28 | 4,307.36 | 4,404.18 |
| II | Other income | 29 | **549.66** | 554.58 |
| **III** | **Total Income (I+II)** | | **4,857.02** | **4,958.76** |
| **IV** | **Expenses** | | | |
| | a) Purchase of stock-in-trade | | 132.30 | 70.05 |
| | b) Changes in inventories of stock-in-trade | 30 | (4.92) | (9.28) |
| | c) Employee benefits expenses | 31 | 2,441.47 | 2,478.66 |
| | d) Finance costs | 32 | 206.81 | 229.14 |
| | e) Depreciation and amortization expenses | 33 | 504.79 | 522.81 |
| | f) Other expenses | 34 | 1,639.59 | 1,607.54 |
| | **Total expenses** | | **4,920.04** | **4,898.93** |
| **V** | **Profit before exceptional items and tax** | | **(63.02)** | **59.84** |
| **VI** | Exceptional items | 62 | 9.29 | - |
| **VII** | **Profit/(Loss) before tax** | | **(72.31)** | **59.84** |
| **VIII** | **Tax expense** | | | |
| | a) Current tax | 41 | 53.28 | 59.24 |
| | b) Deferred tax | 42 | 28.40 | 118.24 |
| | c) Tax relating to prior years | 41 | (10.91) | 0.18 |
| | **Total tax expense** | | **70.77** | **177.66** |
| **IX** | **Profit/ (Loss) for the year from continuing operations (VII-VIII)** | | **(143.08)** | **117.82** |
| | **Contuining Operations** | | | |
| | (a) Profit before tax from discontinued operations | 51 | 148.02 | 218.54 |
| | (b) Tax expense of discontinued operations | 51 | - | - |
| **X** | **Profit after tax from discontinued operations [(a)-(b)]** | | **148.02** | **218.54** |
| **XI** | **Profit for the year (IX + X)** | | **4.94** | **100.71** |
| **XII** | **Other comprehensive income** | | | |
| | **A. Items that will not be reclassified to statement of profit and loss** | | | |
| | a) Remeasurements of defined benefit plans(net) | | (4.46) | (4.87) |
| | b) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income | | 8.08 | (6.76) |
| | c) Revaluation of Intangible Rights | | 0.87 | - |
| | **Net other comprehensive income not to be reclassified to profit or loss in subsequent year (A)** | | **4.49** | **(11.63)** |
| | **B. Items that will be reclassified to profit or loss** | | | |
| | a) Effective Portion of designated portion of hedging instruments in a cash flow hedge | | (6.13) | 1.26 |
| | b) Exchange differences in translating the financial statements of foreign operation | | 578.08 | 141.70 |
| | **Net other comprehensive income to be reclassified to profit or loss in subsequent year (B)** | | **571.95** | **142.96** |
| **XIII** | **Other comprehensive income for the year, net of tax [A + B]** | | **576.44** | **131.33** |
| **XIV** | **Total comprehensive income for the year** | | **581.38** | **232.04** |
| **XV** | **Profit for the year attributable to:** | | | |
| | a) Equity holders of the company | | 32.19 | 121.41 |
| | b) Non-controlling interests | | (27.25) | (20.70) |
| | | | **4.94** | **100.71** |
| **XVI** | **Other comprehensive income for the year attributable to:** | | | |
| | a) Equity holders of the company | | 575.95 | 133.14 |
| | b) Non-controlling interests | | 0.49 | (1.81) |
| | | | **576.44** | **131.33** |
| **XVII** | **Total Other comprehensive income attributable to:** | | | |
| | a) Equity holders of the company | | 608.14 | 254.55 |
| | b) Non-controlling interests | | (26.76) | (22.51) |
| | | | **581.38** | **232.04** |
| **XVIII** | **Earning per equity share (both continuing and discontinued operations) [equity share par value share ₹.10/- each]** | | | |
| | Basic | 38 | 6.92 | 26.10 |
| | Diluted | 38 | 6.92 | 26.10 |
| | **Earning per equity share (continuing operations) [equity share par value share ₹.10/- each]** | | | |
| | Basic | 38 | (24.90) | (20.88) |
| | Diluted | 38 | (24.90) | (20.88) |
| | **Earning per equity share (discontinued operations) [equity share par value share ₹.10/- each]** | | | |
| | Basic | 38 | 31.82 | 46.98 |
| | Diluted | 38 | 31.82 | 46.98 |

**The accompanying notes form as integral part of these consolidated financial statements.**
*** Refer Note 63**

**As per our report of even date**

**For Haribhakti & Co. LLP**
Firm registration no. 103523W / W100048
Chartered Accountants
**Snehal Shah**
Partner
Membership No. 048539

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Pradeep Udhas**
Independent Director
DIN: 02207112

**Place : Mumbai**

**Venkatesh Korla**
Chief Executive Officer

**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818

**Place : Mumbai**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer

**Place : Mumbai**

**Narendra Singh**
Company Secretary

**Place : Mumbai**

**Place : Mumbai**
**Date : May 29, 2026**

**Date : May 29, 2026**

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

**(All amounts are in ₹ Crore)**

## A. Equity Share Capital

| Particulars | Notes | Amount |
|---|---|---|
| **Balance As at March 31, 2024** | | **46.52** |
| Changes in equity share capital during the year | 17 | - |
| **Balance As at March 31, 2025** | | **46.52** |
| Changes in equity share capital during the year | 17 | - |
| **Balance As at March 31, 2025** | | **46.52** |

## B. Other equity

| | Reserves and Surplus | | | | | | Other comprehensive income | | | | Total attributable to equity holders of the company | Non-controlling interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital reserve | Capital redemption reserve | Securities Premium reserve | General reserve | Retained Earnings | Revaluation of Intangible assets | Foreign currency translation reserve | Cash Flow Hedging Reserve Account | Fair valuation of equity instruments | Remeasurements of defined benefit plans | | | |
| **As at March 31, 2024** | **499.33** | **6.00** | **-** | **-** | **6,432.10** | **-** | **570.19** | **(0.32)** | **2.76** | **(68.88)** | **7,441.18** | **154.74** | **7,595.92** |
| Profit for the year | - | - | - | - | 121.41 | - | - | - | - | - | 121.41 | (20.70) | 100.71 |
| Other Comprehensive Income | - | - | - | - | - | - | 141.70 | 1.26 | (6.76) | (4.87) | 131.33 | (1.81) | 129.52 |
| **Total** | **499.33** | **6.00** | **-** | **-** | **6,553.51** | **-** | **711.89** | **0.94** | **(4.00)** | **(73.75)** | **7,693.92** | **132.23** | **7,826.14** |
| Transaction with owners in their capacity as Equity holders of the company: | - | - | | - | - | - | - | - | - | - | - | - | - |
| Buyback Adjustment during the year | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit / (Loss) on fair valuation of equity instruments | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Adjustment during the year | - | - | - | - | - | - | - | - | - | - | - | 14.50 | 14.50 |
| Dividends (including dividend tax thereon) | - | - | - | - | (32.56) | - | - | - | - | - | (32.56) | - | (32.56) |
| **As at March 31, 2025** | **499.33** | **6.00** | **-** | **-** | **6,520.95** | **-** | **711.89** | **0.94** | **(4.00)** | **(73.75)** | **7,661.36** | **146.73** | **7,808.08** |
| Profit for the year | - | - | - | - | 32.19 | - | - | - | - | - | 32.19 | (27.25) | 4.94 |
| Other Comprehensive Income | - | - | - | - | - | 0.87 | 578.08 | (6.13) | 8.08 | (4.95) | 575.95 | 0.49 | 576.44 |
| **Total** | **499.33** | **6.00** | **-** | **-** | **6,553.14** | **0.87** | **1,289.97** | **(5.19)** | **4.08** | **(78.70)** | **8,269.50** | **119.97** | **8,389.46** |
| Transaction with owners in their capacity as Equity holders of the company: | - | - | | - | - | - | - | - | - | - | - | - | - |
| Buyback Adjustment during the year | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit / (Loss) on fair valuation of equity instruments | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Adjustment during the year | - | - | - | - | 0.49 | - | - | - | - | - | 0.49 | (0.37) | 0.12 |
| Dividends (including dividend tax thereon) | - | - | - | - | | - | - | - | - | - | | - | - |
| **As at March 31, 2026** | **499.33** | **6.00** | **-** | **-** | **6,553.63** | **0.87** | **1,289.97** | **(5.19)** | **4.08** | **(78.70)** | **8,269.98** | **119.60** | **8,389.58** |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

**(All amounts are in ₹ Crore)**

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges:

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Balance as at the beginning of the year | 1.23 | (0.38) |
| Changes in fair value of effective portion of derivatives | (11.63) | 0.64 |
| Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged transactions | 3.49 | 0.97 |
| **Balance as at the end of the year** | **(6.91)** | **1.23** |
| Deferred tax thereon | 1.72 | 0.29 |
| **Balance as at the end of the year, net of deferred tax** | **(5.19)** | **0.94** |

**Nature and purpose of reserves**

Capital reserve amounting to ₹ 0.39 crores, ₹13.99 crores, ₹ (13.41) crores and ₹ 256.52 crores was created upon acquisition of business of Mphasis limited & Msource India private limited, merger of HGS International Services Private Limited with HGS Business services Private Limited, merger of HGS International Services Private Limited with Hinduja Global Solutions Limited effective from 01.04.2017 and Merger of Digital, Media & Communication business of NXT Digital with Hinduja Global Solutions Limited effective from 01.02.2022 respectively . The reserve has restriction for use.

**Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.

**General Reserve**

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As general reserve is created by transfer from one component of equity to another and not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**Cash flow hedging reserve**

The Group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale, as described within note 47. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges.

To the extent these hedges are effective; the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amounts recognized in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects statement of profit and loss.

**Employee Stock Options Outstanding**

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under Hinduja Global Solutions Employee stock option plan. The amounts recorded in this reserve are transferred to Securities premium upon exercise of stock options.

**Foreign currency translation reserve**

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency i.e. indian rupee (₹) are recognized directly in other comprehensive income and accumulated in Foreign currency translation reserve.

# CONSOLIDATED CASH FLOW STATEMENT

**(All amounts are in ₹ Crore)**

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Cash Flow from Operating Activities** | | |
| Profit/ (Loss) before tax for the Year | | |
| - Continuing operations | (72.31) | 59.84 |
| - Discontinuing Operations | 148.02 | 218.54 |
| **Profit before tax** | **75.71** | **278.38** |
| Adjustments for: | | |
| Depreciation and amortization expenses | 504.79 | 522.81 |
| Net Loss/(Gain) on fair valuation and sale of investments | (0.59) | 0.61 |
| Loss/ (Gain) on disposal of property, plant and equipment and Write-off | 0.18 | (0.86) |
| Allowance for bad and doubtful debts/ advances | 7.62 | 26.13 |
| Dividend Income | (0.75) | (1.48) |
| Lease income | (10.11) | (12.96) |
| Liabilities/ Provision no longer required written-back | (12.05) | (16.13) |
| Unwinding of discount on security deposits | (87.23) | (5.86) |
| Interest income classified as investing cash flows | (366.46) | (447.51) |
| Gain on termination of leases | (0.04) | (0.22) |
| Finance costs | 206.81 | 229.14 |
| Bad debts and Advances written off | 4.20 | 4.75 |
| Net exchange differences | 532.71 | (25.46) |
| Gain on Sale of Healthcare Business (net)* | (148.02) | (218.54) |
| **Change in operating assets and liabilities:** | | |
| (Increase)/ Decrease in trade receivables | (100.62) | (44.41) |
| (Increase)/ Decrease in Inventories | (4.92) | (9.28) |
| (Increase)/ Decrease in other financial assets | 101.74 | (1.55) |
| (Increase)/ Decrease in other assets | (76.08) | (98.97) |
| Increase/ (Decrease) in trade payables | (162.64) | 232.27 |
| Increase/ (Decrease) in other financial liabilities | 18.66 | (153.67) |
| Increase/ (Decrease) in provisions | (138.99) | 158.89 |
| Increase/ (Decrease) in other liabilities | 106.07 | 4.21 |
| **Net cash generated from operating activities** | **450.01** | **420.29** |
| Net Income taxes Paid/ (Refunded) | (37.38) | 36.88 |
| **Net cash generated from operating activities** | **412.63** | **457.17** |
| **Cash flows from investing activities** | | |
| Payments for property, plant and equipment | (132.97) | (243.66) |
| Proceeds from sale of property, plant and equipment | 5.93 | 24.88 |
| Payments for purchase of investments (Net) | (499.82) | (344.09) |
| Proceeds from sale of Healthcare Business (net) | 158.59 | 375.42 |
| (Increase)/ Decrease in other bank balances | (12.87) | 92.53 |
| Dividends Received | 0.75 | 1.48 |
| Lease income | 10.11 | 12.96 |
| Payments for acquisition of subsidiaries | (85.43) | (126.99) |
| Loans repaid | 2,081.62 | 2,828.05 |
| Loans given | (2,032.72) | (2,532.05) |
| Interest received | 369.86 | 413.76 |
| **Net cash inflow/ (outflow) from Investing Activities** | **(136.95)** | **502.29** |

# CONSOLIDATED CASH FLOW STATEMENT

**(All amounts are in ₹ Crore)**

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Cash flows from financing activities** | | |
| Proceeds from borrowings | 3,340.00 | 4,613.38 |
| Repayment of borrowings | (3,232.88) | (4,732.39) |
| Repayment of Lease liability | (411.33) | (536.19) |
| Transactions with Non controlling Interest | - | 14.50 |
| Interest paid | (206.13) | (229.07) |
| Dividends paid | (1.00) | (28.41) |
| **Net cash (outflow) from Financing Activities** | **(511.34)** | **(898.18)** |
| **Net increase/ (decrease) in cash and cash equivalents** | **(235.66)** | **61.29** |
| Cash and cash equivalents at the beginning of the financial year | 751.69 | 674.52 |
| Effects of exchange rate changes on cash and cash equivalents | 52.91 | 15.88 |
| **Cash and cash equivalents at end of the financial year** | **568.94** | **751.69** |
| **Balances per statement of cash flows (Refer Note 13(a))** | **568.94** | **751.69** |

* Refer Note 51

Reconciliation of borrowings as disclosed in financing activities and Note 18 to the financial statements:

| Particulars | As at April 1, 2025 | Cash Changes | | Non Cash Changes | | Exchange difference/ FCTR | Others | As at March 31, 2026 |
|---|---|---|---|---|---|---|---|---|
| | | Repayment | Proceeds | IND AS 116 Amendment | Additions/ Deletions to Lease liabilities(net) | | | |
| Borrowings | **1,186.90** | (3,232.88) | 3,340.00 | - | - | - | - | **1,294.02** |
| Lease liabilities | **756.27** | (411.33) | - | - | 331.37 | (2.42) | - | **673.89** |
| Others | - | - | - | - | - | - | - | - |

| Particulars | As at April 1, 2024 | Cash Changes | | Non Cash Changes | | Exchange difference/ FCTR | Others | As at March 31, 2025 |
|---|---|---|---|---|---|---|---|---|
| | | Repayment | Proceeds | IND AS 116 Amendment | Additions/ Deletions to Lease liabilities(net) | | | |
| Borrowings | **1,305.91** | (4,732.39) | 4,613.38 | - | - | - | - | **1,186.90** |
| Lease liabilities | **800.75** | (536.19) | - | - | 483.63 | 8.08 | - | **756.27** |
| Others | - | - | - | - | - | - | - | - |

**The accompanying notes form as integral part of these consolidated financial statements.**

**As per our report of even date**

**For Haribhakti & Co. LLP**
Firm registration no. 103523W / W100048
Chartered Accountants
**Snehal Shah**
Partner
Membership No. 048539

**Place : Mumbai**
**Date : May 29, 2026**

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Pradeep Udhas**
Independent Director
DIN: 02207112

**Place : Mumbai**

**Venkatesh Korla**
Chief Executive Officer

**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818

**Place : Mumbai**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer

**Place : Mumbai**

**Narendra Singh**
Company Secretary

**Place : Mumbai**

**Date : May 29, 2026**

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 1 Background

Hinduja Global Solutions Limited ("HGS" or the "Group") is a public limited Company, domiciled in India and it's incorporated under the provisions of The Companies Act 1956 and is engaged in Business Process Management and Media and Communication business. Business Process Management segment offer voice and non-voice based services such as contact center solutions and back office transaction processing across America, Canada, Australia, Europe, Asia and Middle East. HGS' Digital, Media & Communications business, is India's premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns. Its ordinary shares (equity) are listed on the two registered stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The address of its registered office is 1st Floor, Tata Communications Complex, Plot C-21, G Block, Tower C , Bandra Kurla Complex, Bandra East, Mumbai – 400 051.

These Consolidated financial statements were authorized to be approved by the Board of Directors on May 29, 2026.

### a Basis of preparation of financial statements

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (i) Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) notified under section 133 of Companies Act 2013 as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these consolidated financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2026.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

All amounts included in the financial statements are reported in crores of Indian rupees (`) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been re-grouped/re-arranged, wherever necessary.

#### (ii) Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following:

a. certain financial assets and liabilities (including derivative instruments) that is measured at fair value;

b. The defined benefit liability / (Asset) is recognised as the present value of defined benefit obligation less fair value of plan assets; and

c. Share-based payments

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. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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.

All assets and liabilities have been classified as current or non-current as per Group normal operating cycle and presented as per criteria set out in the Division II format of Schedule III to the Act. The Group has identified its operating cycle as twelve months.

### Material accounting Policy Information

### b Use of estimates and judgements

The preparation of these financial statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the consolidated financial statements that are subject to measurement uncertainty. An accounting policy may require items in consolidated financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to the accounting estimates are recognized in the period in which the estimates are changed and in any future period affected. In particular, information about material areas of estimation, uncertainty and critical judgement in applying accounting policies that have the material effect on the amounts recognized in the consolidated financial statements are included in the following areas.

**i) Revenue recognition**

The Group applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price. The Group estimates the unbilled receivables (representing revenues recognized for services rendered between the last billing date and the balance sheet date), discounts, incentives, performance bonuses, etc. based on estimates of performance obligations satisfied and historical experience.

**ii) Estimation of Provisions & Contingent Liabilities.**

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements. (Refer note 37)

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

**iii) Estimation of Defined Benefit Obligation**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 43 for the details of the assumptions used in estimating the defined benefit obligation.

**iv) Useful lives of property, plant and equipment**

The Group depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. 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. The estimated useful life is reviewed at least annually.

**v) Useful lives of intangible assets**

The Group amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

**vi) Income taxes**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

**vii) Deferred taxes**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**viii) Impairment testing**

Goodwill is required to be assessed for impairment for every Cash Generating Unit (CGU) on a yearly basis. For the purposes of the same, the Group calculates the recoverable amount of the CGU. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of the CGU is based on discounted cash flow model. The cash flows are derived from the budget for the future years. The recoverable amount is sensitive to the discount rates used in discounted cash flow model as well as growth rate used for estimate and involves use of significant estimates and assumptions including turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer note 40 for the details of assumptions used in estimation of impairment of goodwill.

**ix) Expected credit losses on financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

**x) Business combination**

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liabilities acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

**xi) Leases**

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

i) Identifying whether a contract (or part of a contract) includes a lease;

ii) Determining whether it is reasonably certain that an extension or termination option will be exercised;

iii) Classification of lease agreements (when the entity is a lessor);

iv) Determination of whether variable payments are in-substance fixed;

v) Establishing whether there are multiple leases in an arrangement;

vi) Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

i) Estimation of the lease term;

ii) Determination of the appropriate rate to discount the lease payments;

iii) Assessment of whether a right-of-use asset is impaired.

**xii) Other estimates**

The share based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest. Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## c Principles of consolidation

### (i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. All intra Group balances, transactions, income and expenses are eliminated in full on consolidation.

The acquisition method of accounting is used to account for business combinations by the Group other than common control transactions which is accounted as per Pooling of interest method.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

### (ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate an investment because of a loss of control, any retained interest in the entity is premeasured to its fair value with the change in carrying amount recognized in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to statement of profit and loss.

## d Foreign currency translation

### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The consolidated financial statements are presented in Indian rupee (`), which is Hinduja Global Solutions Limited's functional and presentation currency.

### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

**(iii) Group companies**

The results and financial position of foreign operations, none of which has the currency of a hyperinflationary economy, that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

a. assets and liabilities are translated at the closing rate at the date of balance sheet.

b. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c. All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR) a component of equity except to the extent that translation difference is allocated to non controlling interest.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## e Revenue from contracts with customers

The Group has adopted Ind AS 115 "Revenue from Contracts with Customers" which sets forth a single comprehensive model for recognising and reporting revenues.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those services in the normal course of business.

Revenue is based on the transaction price of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

To recognise revenues, we apply the following five step approach:

(1) identify the contract with a customer,

(2) identify the performance obligations in the contract,

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract and

(5) recognise revenues when a performance obligation is satisfied.

**i) Business process management services.**

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Nature of the services :

The Group derives its revenue from Business Process Management (BPM) which includes services like back office processing, contact center and HRO solutions. The Group provides BPM services, which typically involve claim processing and call center services for telecom industry, which it administers and manages those services for its client on an ongoing basis. The Group combines technology powered services in automation, analytics and digital with domain expertise focusing on back office processing, contract centers and HRO solutions to deliver transformational impact to clients.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

**A. Time and Material contracts**

Revenue from time and material transactions and outcome based contracts are recognised as the services are the performed.

**B. Fixed price contracts**

In respect of fixed-price contracts, where performance obligations are satisfied over a period of time, revenue is recognised by means of percentage of completion method. Under this method, revenue is recognised by applying the percentage of completion on the transaction price.

Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Group is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

**C. Contract Asset and Liabilities**

The Group classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Group recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Group presents such receivables as part of Trade receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

**D. Remaining Performance Obligations**

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognised which includes unearned revenue and amounts that will be invoiced and recognised as revenue in future periods. Applying the practical expedient, the Group has not disclosed its right to consideration from customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date which are, contracts invoiced on time and material basis and volume based.

**E. Others**

Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone 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 stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Group may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Group expects to recover these costs and amortised over the contract term.

The Group recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Group assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Group does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Group may enter into arrangements with third party suppliers to resell products or services. In such cases, the Group evaluates whether the Group is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Group first evaluates whether the Group controls the services before it is transferred to the customer. If Group controls the services before it is transferred to the customer, Group is the principal; if not, the Group is the agent.

The Group has concluded that it falls under the definition of principal for all its contracts relating to business service division. Since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer, hence, the Group recognises the revenue earned from such contracts on gross basis in its books of accounts.

Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

**F. Reconciliation of revenue recognised**

The Group recognises Volume discounts, Penalties and Incentives against each transaction price as per the terms of the contract with the customer, the disclosures related to the reconciliation of revenue recognised with the transaction price have not been provided as the same is not material to the Group.

**ii) Digital, Media and Communication business**

Performance obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Ind AS 115.

The performance obligations of the Group are satisfied over time as services are rendered.

Determination of transaction price

Revenue is measured based on transaction price which includes variable consideration only to the extent it is probable that a significant reversal of revenues recognised will not occur when the uncertainty associated with the variable consideration is resolved. Revenues also exclude taxes collected from customers.

Allocation of transaction price

A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the adjusted market assessment approach, under which the Group evaluates the price in that market that a customer is willing to pay for those services. While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as we sell those performance obligations unaccompanied by other performance obligations.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

Lease Income - Optic Fibre Cable

The policy for recognition of revenue from operating leases is described in 1h below

Installation revenue

Installation revenue on Set Top Boxes (STBs) is recognised over the estimated period of customer relationships. Revenue is recognised on satisfaction of performance obligation upon transfer of promised products or services in an amount that reflects the consideration which the Group expects to receive in exchange of those products and services. Installation revenue on Set Top Boxes (STBs) is deferred and is recognised over the estimated period of customer relationship. Amount billed for services as per contractual terms but not recognised as revenue, is shown as income received in advance under other deferred income. Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for providing services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Revenue in excess of invoicing are disclosed as contracts assets (''unbilled receivables'') and invoicing in excess of revenues are disclosed as contract liabilities.

Rendering of other services

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured.

## f Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

## g Deferred taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The Group has thus disclosed the Income Tax Assets/ Liabilities on a net basis to the extent that the same is settled within the same tax jurisdictions, which is in line with Accounting statements prescribed under Ind AS 12.

## h Leases

**As a lessee**

The Group enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment, set top boxes and furnitures. Such arrangements are generally for a fixed period but may have extension or termination options. The Group assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

(a) control the use of an identified asset,

(b) obtain substantially all the economic benefits from use of the identified asset, and

(c) direct the use of the identified asset.

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. This expense is presented within ‘other expenses’ in statement of profit and loss.

**Lease Liabilities:**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

i) fixed lease payments (including in-substance fixed payments), less any lease incentives;

ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

iii) the amount expected to be payable by the lessee under residual value guarantees;

iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability payments are classified as cash used in financing activities in the Statement of cash flows.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate. The Group did not make any such adjustments during the periods presented.

The Group's lease asset classes Digital, Media and Communication business consist of leases for Plant and Machinery,Set top boxes and Transponder.. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Assets leased out under operating leases are capitalised. Rental income from operating lease is recognised on a straight-line basis over the lease term. Rental income, based on agreement, is recognised based on product of number of pairs of dark fibre assets leased out and length of dark fibre assets leased out (in kilometres) and the rate at which lease rent is charged per pair per kilometre of dark fibre assets including minimum guarantee lease rental.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

**Right-of-Use Assets:**

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. Prepaid lease payments (including the difference between nominal amount of the deposit and the fair value) are also included in the initial carrying amount of the right of use asset.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated financial statements.

The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

The Group incurs obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease. the Group has assessed that such restoration costs are negligible and hence no provision under Ind-AS 37 has been recognised.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit and loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

**The Group as a lessor**

Leases under which the Group is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating lease. For leases under which the Group is an intermediate lessor, the Group accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

## i Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently premeasured to fair value with changes in fair value recognized in statement of profit and loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is premeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in statement of profit and loss or other comprehensive income, as appropriate.

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liabilities acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## j Impairment

### i) Impairment of non financial assets

The Group assesses long-lived assets such as property, plant and equipment, ROU assets and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or Group of assets may not be recoverable. If any such indication exists, the Group estimates the recoverable amount of the asset or Group of assets. Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than it's carrying value. The goodwill impairment test is performed at the level of cash-generating unit or Groups of cash-generating units which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal ("FVLCD") and its value-in-use ("VIU"). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs 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. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

### ii) Impairment of financial assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments classified as FVTOCI, lease receivables, trade receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

### iii) Impairment of Investment in subsidiaries:

The Group 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 Group 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 ("FVLCD") 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.

## k Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## l Trade receivables

Trade receivables are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

## m Contract balances

**Contract Asset**

A contract asset is right to consideration in exchange of services that the Group has rendered to a customer when that right is conditioned on something other than passage of time. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

**Contract Liability**

A contract liability is the obligation to render services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group renders services as per the contract.

**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

## n Investments and other financial assets

**(i) Classification**

The Group classifies its financial assets in the following measurement categories:

a. those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and

b. those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**(ii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**(iii) Derecognition of financial assets**

A financial asset is derecognized only when:

a. The Group has transferred the rights to receive cash flows from the financial asset or

b. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Group continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(iv) Investments in equity instruments:**

The Group carries certain equity instruments which are not held for trading. At initial recognition, the Group may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income (FVTOCI) or through statement of profit and loss (FVTPL). For investments designated to be classified as FVTOCI, movements in fair value of investments are recognised in other comprehensive income and the gain or loss is not transferred to statement of profit and loss on disposal of investments. For investments designated to be classified as FVTPL, both movements in fair value of investments and gain or loss on disposal of investments are recognised in the statement of profit and loss.

Dividends from these investments are recognised in the statement of profit and loss when the Group's right to receive dividends is established.

**(v) Investments in subsidiaries:**

Investment in equity instruments of subsidiaries are measured at cost less impairment. Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss

**(vi) Other financial assets**

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise finance lease receivables, employee and other advances and other eligible current and non-current assets.

**(vi) Income recognition**

**a. Interest income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**b. Dividends**

Dividends are recognized in statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(All amounts are in ₹ Crore)

## o Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

### (i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss, within other gains/(losses).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to statement of profit and loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in statement of profit and loss at the time of the hedge relationship rebalancing.

### (ii) Hedges of net investment in foreign operations

The Group designates derivative financial instruments as hedges of net investments in foreign operations. The Group has also designated a foreign currency denominated borrowing as a hedge of net investment in foreign operations. Changes in the fair value of the derivative hedging instruments and gains/losses on translation or settlement of foreign currency denominated borrowings designated as a hedge of net investment in foreign operations are recognised in other comprehensive income and presented within equity in the FCTR to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the consolidated statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities.

### (iii) Others:

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

## p Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## q Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation / amortisation and accumulated impairment loss if any. Cost includes freight, duties, taxes, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Set Top Boxes ('STBs') issued to customers are capitalized at moving average price on issuance / installation. Spares that do not meet the definition of property, plant and equipment and do not satisfy the criteria of Ind AS 16 are charged off to the Statement of profit and loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

**Capital work in progress**

The Set Top Boxes ('STBs') which are not issued to customers are recorded as Capital work-in-progress at moving average price issued. Certain encoders and other plant and machinery not installed at the customer premises are categorised under Capital work-in-progress until installed and ready for intended use.

<u>Depreciation methods, estimated useful lives and residual value</u>

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

| Particulars | Useful life |
|---|---|
| Leasehold Land, Leasehold building and Leasehold improvement | Over the period of Lease |
| Building | Upto 60 years |
| Plant and machinery | 6-18 years |
| Set Top Boxes | Upto 8 years |
| Office Equipment | Upto 10 years |
| Computers | Upto 6 years |
| Furniture and Fixtures | Upto 10 years |
| Vehicles | Upto 10 Years |

Assets costing less than ` 5,000 each, except for set top boxes, are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

Assets given to employees on contractual obligations are depreciated to the extent of 50% of the value over a period of four years, at the end of which these assets are transferred to the respective employees at the residual book value.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work-in-progress.

**Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any. Depreciation on building is provided over it's useful life using the straight-line method, in a manner similar to Property, plant and equipment.

## r Other Intangible assets

**(i) Computer software**

Costs associated with maintaining software programmes are recognized as an expense as incurred. Cost associated with acquisition of intangible assets is capitalized when it is controlled by entity and probable future economic benefits are expected to flow .

**(ii) Commercial Rights**

These rights were acquired as part of erstwhile business combination.

**(iii) Amortization methods and periods**

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

**Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

| Particulars | Useful life |
|---|---|
| Computer Software | Upto 6.67 Years |
| Customer Relationship | 8 Years |
| Customer Contracts | 2.8 Years |
| Non-compete Fees | 3 Years |
| Acquired Technology | 4 years |
| Internally developed Software | 3 Years |
| Computer Software (Acquired) | 5 Years |
| Network rights | 10 years |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Particulars | Useful life |
|---|---|
| Licence fees | Upto 10 years |
| Movie Rights | 50 Years |
| Other Intangible assets | Upto 5 Years |

Gains or Losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the Statement of Profit and Loss.

The Group incurs certain costs including discounts on packs provided to new subscribers. These costs have been treated as the customer acquisition cost and therefore capitalized as Other Intangible Assets. The assets are amortized over the period of customer's life cycle i.e. 48 months.

### s Impairment of tangible and intangible assets

At the end of each reporting period, the Group determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognized, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### t Inventory

Inventory (network cable and equipment and other media inventory), consisting of cables, head-end equipment and other network items like modems etc., are valued at lower of cost and net realizable value. Cost includes all expenses incurred to bring the inventory to its present location and condition. Cost is determined on a weighted average basis.

### u Goodwill

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

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

### v Disposal of assets

The gain or loss arising on disposal or retirement of assets are recognised in the statement of profit and loss.

### w Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## x Cash flow statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Group are segregated.

The amendment to Ind AS 7, require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

## y Borrowings

Borrowings are initially recognised at Amortised cost, net of transaction cost incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss.

## z Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

## za Employee benefits

### (i) Short-term obligations

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

### (ii) Other long-term employee benefit obligations

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

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

b. The Group has introduced a deferred performance incentive plan during the year which is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. The benefits are discounted using the market yields at the end of the reporting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**(iii) Post-employment obligations**

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and pension

(b) defined contribution plans such as provident fund.

**Defined benefit obligations**

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

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. These plans are partially funded and managed by the third-party fund managers.

The Group also maintains pension and similar plans for employees outside India, based on country specific regulations. These plans are partially funded, and the funds are managed by third party fund managers. The plans provide for monthly payout after retirement as per salary drawn and service period or for a lumpsum payment as set out in rules of each fund.

The present value of the defined benefit obligation denominated in INR 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. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

**Defined contribution plans**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Share-based payments**

Share-based compensation benefits are provided to employees via the Hinduja Global Solutions Limited Employee Stock Option Plan.

**Employee options**

The fair value of options granted under the Hinduja Global Solutions Limited Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

**(v) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## zb Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in Other equity as a deduction, net of tax, from the proceeds.

## zc Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## zd Earnings per share

**(i) Basic earning per share**

Basic earnings per share is calculated by dividing:

a. the profit attributable to owners of the Company

b. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**(ii) Diluted earning per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## ze Business combination, and Goodwill

**a) Business combination**

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

In respect of common control business combinations, accounting is done as per pooling of interest method in accordance with Part C of Ind AS 103 - Business Combination.

**b) Goodwill**

The excess of the cost of an acquisition over the Group's share in the fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

## zf Non Controlling Interests

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind AS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture..

## zg Finance cost

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

## zh Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the Group has been identified as CODM consists of key managerial personnel of the Group. Refer note 49 for segment information.

## zi Non-current assets (or disposal Groups) held for sale and discontinued operations

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal Group) to fair value less cost to sell. A gain is recognized for any subsequent increase in the fair value less cost to sell of any asset (or disposal Group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal Group) is recognized at the date of de-recognition.

Non-Current assets (including those that are part of a disposal Group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Group classified as held for sale continue to be recognised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

Non-current assets classified as held for sale and the asset of a disposal Group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal Group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of a single co-ordinated plan to dispose of such line of business or area of business of operations, or is a subsidiary acquired exclusively with a view of resale. The result of discontinued operations are presented separately in the statement of profit and loss.

Non-current assets (or disposal Group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of carrying amount or fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

### zj Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Parent Group.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### zk Subsequent events

The Group evaluates all transactions and events that occur after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Group did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the consolidated financial statements, except as disclosed.

### zl Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to nearest crore as per the requirement of schedule III unless otherwise stated.

### zm New Accounting standards adopted by the Group during year

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at 31 March 2025, MCA has notified any new amendments to the existing standards which are applicable to the Group. The Group has adopted the amendments to the Indian accounting standards w.e.f April 1, 2025 and the adoption of these new amendments did not have any material impact on the Consolidated statement of profit and loss for the year ended March 31, 2026.

### zn New Accounting standards not yet adopted by the Group

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**New and amended standards issued but not effective:**

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f April 1, 2025 -

   The amendment relates to classification of liabilities as current or non -current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f April 1, 2025 -

   The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Consolidated financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately -

   The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

4. Treatment to Lendor Waiver – Amendments to Ind AS 1 — This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively. These provisions relate to the treatment of lender waivers granted after the reporting date but before the financial statements are approved for issue. Under the amended requirements, such waivers will no longer be permitted to be considered for the purpose of classification of loans. The Company does not expect this amendment to have an impact on its financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 2 Property, Plant and Equipment

| | Land | Building | Furniture and Fixtures | Vehicle | Office Equipment | Computers | Leasehold Improvements | Plant and equipments | Settop boxes | Total | Capital work-in-progress |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Year ended March 31, 2025 | | | | | | | | | | | |
| **Gross carrying amount** | **12.41** | **94.97** | **27.08** | **6.13** | **79.99** | **142.94** | **96.00** | **125.34** | **164.12** | **748.97** | **8.06** |
| Additions | - | 0.27 | 1.34 | 0.29 | 3.11 | 20.46 | 2.99 | 165.25 | 18.31 | **212.02** | 20.88 |
| Effect of foreign currency differences | 0.31 | 1.80 | 2.28 | 1.23 | 1.18 | 50.65 | 7.64 | - | - | **65.10** | (0.21) |
| Disposals | - | - | (3.07) | (0.01) | (12.38) | (18.27) | (9.99) | (27.98) | (10.08) | **(81.77)** | (19.95) |
| **Gross carrying amount** | **12.71** | **97.04** | **27.62** | **7.65** | **71.90** | **195.79** | **96.64** | **262.60** | **172.34** | **944.30** | **8.78** |
| **Accumulated depreciation** | - | **23.92** | **12.53** | **3.70** | **46.37** | **76.40** | **56.89** | **107.77** | **127.84** | **455.42** | - |
| Depreciation | - | 3.93 | 6.41 | 0.75 | 2.99 | 55.33 | 13.35 | 31.32 | 17.65 | **131.72** | - |
| Effect of foreign currency differences | - | 1.05 | 1.06 | 0.73 | 1.00 | 37.93 | 3.85 | - | - | **45.62** | - |
| Disposals | - | - | (3.79) | (0.40) | (11.60) | (16.75) | (5.76) | (27.87) | (10.08) | **(76.24)** | - |
| **Accumulated depreciation** | - | **28.90** | **16.20** | **4.78** | **38.76** | **152.91** | **68.34** | **111.21** | **135.41** | **556.52** | - |
| **Net carrying amount as at March 31, 2025*** | **12.71** | **68.14** | **11.42** | **2.86** | **33.15** | **42.88** | **28.30** | **151.39** | **36.94** | **387.79** | **8.78** |
| Year ended March 31, 2026 | | | | | | | | | | | |
| **Gross carrying amount** | **12.71** | **97.04** | **27.62** | **7.65** | **71.90** | **195.79** | **96.64** | **262.60** | **172.34** | **944.30** | **8.78** |
| Additions | - | 1.39 | 0.37 | 0.12 | 2.88 | 39.93 | 7.83 | 7.01 | 53.87 | **113.40** | 15.23 |
| Effect of foreign currency differences | 1.17 | 7.08 | 3.19 | 0.07 | 12.23 | 24.45 | 9.66 | - | - | **57.85** | - |
| Disposals | - | - | (8.60) | (0.65) | (0.04) | (3.73) | - | (0.17) | (16.28) | **(29.47)** | (8.36) |
| **Gross carrying amount** | **13.89** | **105.51** | **22.59** | **7.19** | **86.97** | **256.43** | **114.12** | **269.44** | **209.93** | **1,086.08** | **15.65** |
| **Accumulated depreciation** | - | **28.90** | **16.20** | **4.78** | **38.76** | **152.91** | **68.34** | **111.21** | **135.41** | **556.52** | - |
| Depreciation | - | 1.96 | 3.20 | 0.69 | 5.13 | 36.40 | 14.02 | 26.40 | 18.26 | **106.06** | |
| Effect of foreign currency differences | - | 4.96 | 2.46 | 0.03 | 19.89 | 25.95 | 7.40 | - | - | **60.69** | |
| Disposals | - | (0.00) | (8.55) | (0.40) | (0.04) | (3.17) | (0.00) | (3.89) | (12.50) | **(28.55)** | |
| **Accumulated depreciation** | - | **35.82** | **13.31** | **5.10** | **63.74** | **212.09** | **89.77** | **133.72** | **141.16** | **694.71** | - |
| **Net carrying amount as at March 31, 2026 *** | **13.89** | **69.70** | **9.28** | **2.09** | **23.23** | **44.34** | **24.35** | **135.72** | **68.77** | **391.37** | **15.65** |

* Refer the note 39 and note 58.

Note 1: The title deeds of immovable properties are in the name of the Group (including lease properties, where the lease agreements are in the name of the company) except few lease agreements pertains to Media, Digital and Communication division where the Group is in the process of novation of those agreements in the name of the Group. (Refer Note No. 53 (ii))

Note 2: The Group has not revalued any of Property, Plant and Equipment during the current and previous year.

**Capital work-in-progress (CWIP) ageing schedule- Property, Plant and Equipment As at March 31, 2026**

| Particulars | Amount in Capital work-in-progress (CWIP) for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Projects in progress | 7.84 | 7.81 | - | - | **15.65** |
| (ii) Projects temporarily suspended | - | - | - | - | - |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**Capital work-in-progress (CWIP) ageing schedule- Property, Plant and Equipment As at March 31, 2025**

| Particulars | Amount in Capital work-in-progress (CWIP) for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Projects in progress | 7.81 | 0.97 | - | - | **8.78** |
| (ii) Projects temporarily suspended | - | - | - | - | **-** |

## 3 Right to use asset

| | Category of Right of use assets | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | Building | Computers | Office equipments | Settop boxes | Plant & equipments | Server | Transponder | |
| **Year ended March 31, 2025** | | | | | | | | |
| **Opening Carrying amount** | **522.96** | **5.76** | **-** | **541.25** | **367.92** | **-** | **132.38** | **1,570.26** |
| Additions | 74.79 | 2.35 | - | 37.41 | 309.87 | - | - | 424.42 |
| Disposals | (58.15) | (4.60) | - | (59.34) | (50.59) | - | - | (172.68) |
| Effect of Foreign currency differences | 2.30 | (0.08) | - | - | - | - | - | 2.22 |
| **Gross carrying amount** | **541.90** | **3.43** | **-** | **519.31** | **627.20** | **-** | **132.38** | **1,824.22** |
| **Accumulated depreciation** | **286.43** | **2.84** | **-** | **155.43** | **138.62** | **-** | **64.35** | **647.66** |
| Depreciation | 77.27 | 3.15 | - | 73.53 | 110.57 | - | 17.99 | 282.50 |
| Disposals | (55.30) | (4.60) | - | (41.51) | (27.62) | - | - | (129.03) |
| Effect of Foreign currency differences | 4.06 | (0.00) | - | - | - | - | - | 4.05 |
| **Accumulated depreciation** | **312.45** | **1.38** | **-** | **187.44** | **221.57** | **0.00** | **82.34** | **805.18** |
| **Net carrying amount as at March 31, 2025** | **229.46** | **2.05** | **-** | **331.87** | **408.74** | **-** | **46.92** | **1,019.04** |
| **Year ended March 31, 2026** | | | | | | | | |
| **Opening Carrying amount** | **541.90** | **3.43** | **-** | **519.31** | **627.20** | **-** | **132.38** | **1,824.22** |
| Additions | 212.57 | 13.28 | 17.86 | 28.48 | 14.18 | 0.20 | - | 286.56 |
| Disposals | (134.91) | (4.37) | - | (120.52) | (9.99) | - | - | (269.80) |
| Effect of Foreign currency differences | 21.74 | 3.68 | 0.17 | - | - | - | - | 25.58 |
| **Gross carrying amount** | **641.30** | **16.02** | **18.02** | **427.26** | **631.39** | **0.20** | **132.38** | **1,866.57** |
| **Accumulated depreciation** | **312.45** | **1.38** | **-** | **187.44** | **221.57** | **-** | **82.34** | **805.18** |
| Depreciation | 100.01 | 2.17 | 1.18 | 67.82 | 87.20 | 0.01 | 20.89 | 279.28 |
| Disposals | (123.59) | (4.37) | - | (63.53) | (6.53) | - | - | (198.02) |
| Effect of Foreign currency differences | 13.20 | 3.37 | 0.01 | - | - | - | - | 16.58 |
| **Accumulated depreciation** | **302.06** | **2.56** | **1.19** | **191.73** | **302.24** | **0.01** | **103.23** | **903.03** |
| **Net carrying amount as at March 31, 2026** | **339.24** | **13.46** | **16.83** | **235.53** | **329.14** | **0.19** | **29.14** | **963.54** |

Note 1: Refer Note 53 for Leases

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 4a Other Intangible Assets

| | Computer Software | Non Compete fees | Customer Relationship | Customer Contracts | Brands | Network rights | License fee | Movie rights | Trade name | Marketing Collateral | Other Intangibles | Total | Intangible under development |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year ended March 31, 2025 | | | | | | | | | | | | | |
| **Gross carrying amount** | **163.05** | **1.74** | **411.78** | **22.40** | **12.54** | **69.52** | **13.97** | **108.23** | **38.20** | **0.14** | **84.90** | **926.47** | **5.38** |
| Additions* | 24.66 | - | - | - | - | 21.99 | 1.43 | 1.40 | - | - | 2.19 | **51.67** | **-** |
| Effect of foreign currency differences | 1.03 | 0.04 | 0.58 | 0.11 | 3.33 | - | - | - | - | - | - | **5.08** | **(5.38)** |
| Disposals | (14.30) | - | - | - | - | - | - | - | - | - | - | **(14.30)** | **-** |
| **Gross carrying Amount** | **174.43** | **1.78** | **412.36** | **22.51** | **15.87** | **91.52** | **15.40** | **109.63** | **38.20** | **0.14** | **87.09** | **968.92** | **-** |
| **Accumulated amortisation** | **101.37** | **1.74** | **128.65** | **22.40** | **4.53** | **35.78** | **9.33** | **23.00** | **17.98** | **0.12** | **27.19** | **372.09** | **-** |
| Amortisation (Refer Note 1) | 21.17 | - | 49.40 | - | 4.24 | 9.29 | 1.42 | 2.81 | 3.82 | 0.02 | 15.93 | **108.10** | **-** |
| Effect of foreign currency differences | 1.04 | 0.04 | 0.53 | 0.11 | 3.33 | - | - | - | - | - | - | **5.05** | **-** |
| Disposals | (14.30) | - | - | - | - | - | - | - | - | - | - | **(14.30)** | **-** |
| **Accumulated amortisation** | **109.28** | **1.78** | **178.58** | **22.51** | **12.10** | **45.07** | **10.76** | **25.81** | **21.80** | **0.14** | **43.12** | **470.94** | **-** |
| **Net carrying amount as at March 31, 2025** | **65.15** | **-** | **233.78** | **-** | **3.77** | **46.45** | **4.65** | **83.82** | **16.40** | **-** | **43.97** | **497.99** | **-** |
| Year ended March 31, 2026 | | | | | | | | | | | | | |
| **Gross carrying amount** | **174.43** | **1.78** | **412.36** | **22.51** | **15.87** | **91.52** | **15.40** | **109.63** | **38.20** | **0.14** | **87.09** | **968.93** | **-** |
| Additions | 16.91 | - | - | - | - | 0.92 | 0.60 | 2.07 | - | - | 0.44 | **20.95** | **2.78** |
| Effect of foreign currency differences | 8.01 | 0.16 | 38.69 | 2.29 | 1.43 | - | - | - | - | - | - | **50.57** | **-** |
| Disposals | (0.27) | - | - | - | - | - | - | (0.34) | - | - | - | **(0.61)** | **-** |
| **Gross carrying Amount** | **199.08** | **1.93** | **451.05** | **24.79** | **17.30** | **92.44** | **16.00** | **111.36** | **38.20** | **0.14** | **87.53** | **1,039.83** | **2.78** |
| **Accumulated amortisation** | 109.28 | 1.78 | 178.58 | 22.51 | 12.10 | 45.07 | 10.76 | 25.81 | 21.80 | 0.14 | 43.12 | **470.94** | **-** |
| Amortisation | 20.97 | - | 57.40 | - | 4.08 | 7.66 | 3.92 | 2.90 | 3.82 | - | 18.21 | **118.95** | **-** |
| Effect of foreign currency differences | 8.46 | 0.16 | 11.59 | 2.29 | 1.12 | - | - | - | - | - | - | **23.62** | **-** |
| Disposals | - | - | - | - | - | (0.03) | - | - | - | - | - | **(0.03)** | **-** |
| **Accumulated amortisation** | **138.71** | **1.93** | **247.58** | **24.79** | **17.30** | **52.70** | **14.67** | **28.71** | **25.62** | **0.14** | **61.32** | **613.48** | **-** |
| **Net carrying amount as at March 31, 2026** | **60.37** | **-** | **203.47** | **-** | **-** | **39.74** | **1.33** | **82.65** | **12.58** | **-** | **26.21** | **426.35** | **2.78** |

Note 1: The Company has revised the useful life of Customer Acquisition Cost from 4.5 years to 4 years based on its internal assessment. In the previous year, the Company had revised the useful life from 5 years to 4.5 years based on a technical evaluation conducted by an independent valuer.

Consequently, an additional amortization/depreciation charge of ₹1.34 crore (Previous Year: ₹0.51 crore) has been recognized in the financial statements.

### Intangible assets under development ageing schedule As at March 31, 2026

| Particulars | Amount in Intangible assets under development for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 2.78 | | - | - | **2.78** |
| (ii) Projects temporarily suspended | - | - | - | - | **-** |

### Intangible assets under development ageing schedule As at March 31, 2025

| Particulars | Amount in Intangible assets under development for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | - | - | - | - | **-** |
| (ii) Projects temporarily suspended | - | - | - | - | **-** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 4b Goodwill

| Particulars | Goodwill |
|---|---|
| Year ended March 31, 2025 | |
| Gross carrying amount | 959.55 |
| Acquired during the year * | 19.19 |
| Impairment (Refer Note 40) | - |
| Effect of foreign currency differences | 16.68 |
| **Carrying amount** | **995.42** |
| **Net carrying amount as at March 31, 2025** | **995.42** |
| Year ended March 31, 2026 | |
| Gross carrying amount | 995.42 |
| Acquired during the year | - |
| Impairment (Refer Note 40) | - |
| Effect of foreign currency differences | 97.05 |
| **Carrying amount** | **1,092.47** |
| **Net carrying amount as at March 31, 2026** | **1,092.47** |

* Refer 51(a) for details on Acqusition of business

## 5 Investment property

Reconciliation of carrying amount

| Particulars | Investment property |
|---|---|
| Year ended March 31, 2025 | |
| **Gross carrying amount** | 26.79 |
| | **26.79** |
| Accumulated depreciation | 4.26 |
| Depreciation for the year (Refer Note 33) | 0.49 |
| **Accumulated depreciation** | **4.75** |
| **Net carrying amount as at March 31, 2025** | **22.04** |
| **Fair value**** | |
| **As at March 31, 2025** | 39.46 |
| Year ended March 31, 2026 | |
| | 26.79 |
| Gross carrying amount | **26.79** |
| Accumulated depreciation | 4.75 |
| Depreciation for the year (Refer Note 33) | 0.50 |
| **Accumulated depreciation** | **5.25** |
| **Net carrying amount as at March 31, 2026** | **21.54** |
| Fair value** | |
| As at March 31, 2026 | **43.22** |

** The fair value of investment property was determined by an accredited external independent property valuer. The said property valuer is a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

### i) Amounts recognised in profit or loss

Rental income recognised by the Group during the year ended 31 March 2026 was ₹ 0.06 crore (31 March 2025: ₹ 3.56 crore) and was included in 'Other income' (Refer Note 29). Repairs and maintenance expense, included in 'other expenses' (Refer Note 34), was as follows.

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| a) Rental income derived from investment properties | 0.06 | 3.56 |
| b) Direct operating expenses (including repairs and maintenance) generating rental income | - | - |
| **Income arising from investment properties before depreciation** | **0.06** | **3.56** |
| Depreciation | 0.50 | **0.49** |
| **Income arising from investment properties (Net)** | **(0.44)** | **3.07** |

## 6 Investments

| | Particulars | Face Value | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|---|
| | | Per Share/ Unit | Quantity Nos. | Amount (₹ in Crore) | Quantity Nos. | Amount (₹ in Crore) |
| 6a | <u>**Non-Current Investments**</u> | | | | | |
| | **Unquoted and Non-Trade investment at amortized cost** | | | | | |
| | Unsecured Non-convertible debentures (NCDs) (Coupon rate @USD 3 months SOFR + 3.10% & 6.50% p.a.) | | - | 93.86 | - | 213.58 |
| | Investment in Treasury bill | | | 1.83 | | |
| | A. Unquoted - Investment in Equity shares | | | | | |
| | (at fair value through OCI) | | | | | |
| | Uactive Technology Private Limited | 10 | 1,769.00 | - | 1,769.00 | - |
| | Alkymia | Euro 1 | 340.00 | - | 340.00 | - |
| | Others | | - | 0.01 | - | 0.01 |
| | | | | 0.01 | | 0.01 |
| | Total (a) | | | | | |
| | C. Unquoted - Investment in Government securities (measured at Cost) | | | | | |
| | National Saving Certificate VIII Series Under lien with the Sales Tax Department | | | 0.00 | | 0.00 |
| | Total (b) | | | 0.00 | | 0.00 |
| | D. Quoted Investments in equity instruments (at fair value through OCI) | | | | | |
| | GOCL Corporation Limited | 2 | 13,166.00 | 0.33 | 13,166.00 | 0.36 |
| | Gulf Oil Lubricants India Limited | 2 | 12,264.00 | 1.09 | 12,264.00 | 1.41 |
| | IndusInd Bank Limited | 10 | 80,302.00 | 6.04 | 80,302.00 | 5.22 |
| | Shrydus Industries | 10 | 24,007.00 | 0.01 | 24,007.00 | - |
| | **Total** | | | **7.47** | | **6.99** |
| | | | | **103.17** | | **220.58** |
| 6b | <u>**Current Investments**</u> | | | | | |
| | **Unquoted and Non-Trade investment in Non-convertible debentures at amortized cost (NCDs)** | | | | | |
| | Unsecured Non-convertible debentures (NCDs) (Coupon rate @USD 3 months SOFR + 3.10% - 6.50% p.a.) | | | 4,036.10 | | 3,417.27 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | Particulars | Face Value | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|---|
| | | Per Share/ Unit | Quantity Nos. | Amount (₹ in Crore) | Quantity Nos. | Amount (₹ in Crore) |
| | **Investments in equity instruments at fair value through Profit and Loss** | | | | | |
| | A. Quoted equity shares (fully paid up) | | | | | |
| | IndusInd Bank Limited | 10 | 57,500.00 | 4.33 | 57,500.00 | 3.74 |
| | | | | **4,040.43** | | **3,421.01** |
| | **Unquoted and Non-Trade investment at amortized cost** | | | | | |
| | Investment in Treasury bill | | | - | | 1.60 |
| | Investment in Liquid Mutual Fund | | | 0.00 | | 0.00 |
| | | | | **4,040.43** | | **3,422.61** |
| | **Total investments** | | | **4,143.60** | | **3,643.19** |
| | Aggregate Value of quoted Investments (at market value) | | | 4,047.90 | | 3,428.00 |
| | Aggregate Value of Unquoted Investments | | | 95.70 | | 215.19 |

**Terms of Non-convertible debentures (NCD)**

| Name of Scrip | Coupon Rate | Terms of redemption* | Nature | Amount o/s as at March 31, 2026 (USD in Crore) | Amount o/s as at March 31, 2026 (INR in Crore) | Amount o/s as at March 31, 2025 (USD in Crore) | Amount o/s as at March 31, 2025 (INR in Crore) |
|---|---|---|---|---|---|---|---|
| **Current:** | | | | | | | |
| Investment in NCD in IndusInd Finance Limited** | (a) 6.50% | March 31, 2027 | Un-Secured | 29.50 | 2,768.95 | 26.50 | 2,263.94 |
| Investment in NCD in Hinduja Capital Ltd** | (a) 6.5%<br>(b) USD 3 months SOFR + 3.10% | June 30, 2026 | Un-Secured | 13.50 | 1,267.15 | 13.50 | 1,153.33 |
| **Total Current** | | | | **43.00** | **4,036.10** | **40.00** | **3,417.27** |
| **Non-current:** | | | | | | | |
| Investment in NCD in IndusInd Finance Limited** | (a) USD 3 months SOFR + 3.10% | June 30, 2027 | Un-Secured | 1.00 | 93.86 | 1.20 | 102.52 |
| | (a) 6.50% | | Un-Secured | - | - | 0.50 | 42.72 |
| | (a) 6.50% | | Un-Secured | - | - | 0.50 | 42.72 |
| | (a) 6.30% | | Un-Secured | - | - | 0.30 | 25.63 |
| **Total Non-Current** | | | | **1.00** | **93.86** | **2.50** | **213.58** |
| **Total** | | | | **44.00** | **4,129.96** | **42.50** | **3,630.85** |

*The Company has a right to demand redemption of the NCDs in part or in full with 7 days (IndusInd Finance Limited) to 15 days (Hinduja Capital Ltd) notice.

** Based on an external legal opinion obtained, the group has concluded that Hinduja Capital Limited and IndusInd Finance limited is not a related party in accordance with Ind AS 24 - Related Party Disclosures.

**Terms of Treasury bill FY 2025-26**

| | Name of Bank | ISIN | Maturity Date | Rate of Interest | Face Value in PHP as on March 31, 2026 (PHP. in Crore) | Face Value in INR as on March 31, 2026 (INR in Crore) |
|---|---|---|---|---|---|---|
| 1 | Union bank plaza* | PH0000060477 | June 10,2026 | 4.60% | 1.18 | 1.83 |
| **Total** | | | | | **1.18** | **1.83** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

*These investments carry a fixed rate of interest and it is maturing through June 10, 2026.

**Terms of Treasury bill FY 2024-25**

| | Name of Bank | ISIN | Maturity Date | Rate of Interest | Face Value in PHP as on March 31, 2025 (PHP. in Crores) | Face Value in INR as on March 31, 2025 (INR in Crores) |
|---|---|---|---|---|---|---|
| 1 | Union bank plaza* | PH000059131 | June 8, 2025 | 5.58% | 1.07 | 1.60 |
| **Total** | | | | | **1.07** | **1.60** |

*These investments carry a fixed rate of interest and it is maturing through June 08, 2025.

Note: The Group has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

## 7 Loans

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Loan carried at amortised cost* (Unsecured, considered good)** | | |
| Opening balance | 1.50 | 1.50 |
| Loans given during the year | - | - |
| Loans repaid | - | - |
| **Total** | **1.50** | **1.50** |

* One of the subsidiary companies has given a loan of ₹ 1.50 Crore to other entities at the interest rate of 9% p.a.

## 8 Other non current financial asset

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Security Deposit | 74.35 | 67.29 |
| Deposits with bank for Margin Money* | 0.22 | 3.89 |
| Deposits with maturity exceeding 12 months** | 7.40 | 7.73 |
| Lease receivable (Refer note 53) | 6.98 | 0.53 |
| **Total** | **88.95** | **79.44** |

* Under lien with bank towards guarantees issued by them on behalf of the company.

** Amount held by a bank as an interest reserve against amount owed under loan agreement

## 9a Income Tax Assets (net)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Advance tax and tax deducted at source | 1,842.53 | 1,325.56 |
| Less: Provision for Income tax | 1,487.69 | 997.14 |
| **Total** | **354.84** | **328.42** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 9b Current tax liabilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Provision for Income tax | 97.87 | 72.05 |
| Less: Advance Tax and Tax deducted at source | 26.02 | 12.80 |
| **Total** | **71.85** | **59.25** |

## 10 Other non current assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Unsecured, considered good unless otherwise specified:** | | |
| Capital Advances | 0.09 | 0.17 |
| Balances with Government Authorities | 37.05 | 35.26 |
| Prepaid Expenses | 3.29 | 1.42 |
| Gratuity (Refer Note 43) | 0.48 | 1.07 |
| Advance to Vendor | 0.14 | 0.15 |
| Others | 8.20 | 0.47 |
| **Total** | **49.25** | **38.54** |

## 11 Inventories

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(at lower of cost and net realisable value)** | | |
| Stock of network cable, equipments and traded goods | 30.84 | 23.30 |
| Media Inventory | - | 2.62 |
| **Total** | **30.84** | **25.92** |

Note : Refer Note 56.

## 12 Trade receivable

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Unsecured Trade Receivables | 572.67 | 605.15 |
| Unsecured Unbilled Receivables | 299.14 | 172.45 |
| Trade Receivables - Significant increase in credit risk | 60.80 | 74.00 |
| Less: Allowance for bad and doubtful debts | (60.80) | (87.12) |
| **Total** | **871.81** | **764.48** |
| Current portion | 871.81 | 764.48 |
| Non-current portion | - | - |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

### Trade Receivables ageing schedule As at March 31, 2026

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 289.78 | 216.51 | 43.07 | 8.62 | 4.38 | 10.31 | **572.67** |
| (ii) Undisputed Trade Receivables – considered Significant increase in credit risk | 3.01 | 7.63 | 7.05 | 6.05 | 2.42 | 1.28 | **27.44** |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - | **-** |
| (iv) Disputed Trade Receivables considered Significant increase in credit risk | - | 0.27 | 0.78 | 15.69 | 5.62 | 11.00 | **33.36** |
| Less: Allowance for bad and doubtful debts | (3.01) | (7.90) | (7.83) | (21.74) | (8.04) | (12.28) | **(60.80)** |
| **Unbilled Receivables** | | | | | | | |
| Undisputed Unbilled Receivable – considered good | 299.14 | - | - | - | - | - | **299.14** |
| **Total** | **588.92** | **216.51** | **43.07** | **8.62** | **4.38** | **10.31** | **871.81** |

### Trade Receivables ageing schedule As at March 31, 2025

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 335.31 | 213.07 | 25.35 | 2.91 | 5.43 | 7.49 | **589.56** |
| (ii) Undisputed Trade Receivables – considered Significant increase in credit risk | 0.67 | 11.86 | 5.33 | 13.78 | 7.67 | 19.44 | **58.75** |
| (iii) Disputed Trade Receivables considered good | - | 2.35 | 0.12 | - | - | - | **2.47** |
| (iv) Disputed Trade Receivables considered Significant increase in credit risk | - | 0.21 | 0.06 | 8.30 | 12.84 | 6.96 | **28.37** |
| Less: Allowance for bad and doubtful debts | (0.67) | (13.83) | (5.72) | (22.08) | (20.51) | (24.31) | **(87.12)** |
| **Unbilled Receivables** | | | | | | | |
| Undisputed Unbilled Receivable – considered good | 172.45 | - | - | - | - | - | **172.45** |
| **Total** | **507.76** | **213.66** | **25.14** | **2.91** | **5.43** | **9.58** | **764.48** |

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

For Related party transactions refer Note 45.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 13a Cash and cash equivalents

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances with banks: | | |
| in current accounts | 506.76 | 621.79 |
| in EEFC accounts | 0.45 | 0.39 |
| in deposit accounts | 47.40 | 98.72 |
| in cash credit accounts (Refer note 58) | 12.14 | 14.86 |
| Cheques on hand | 1.42 | 15.00 |
| Cash on hand | 0.77 | 0.93 |
| **Total** | **568.94** | **751.69** |

Balances with banks in current account and EEFC account does not carry any interest. Short-term deposits are made for varying periods between one day to three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior years.

## 13b Bank balances other than 13a above

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Earmarked Balances with Banks** | | |
| Unpaid dividend | 69.82 | 70.83 |
| Unpaid bonus | - | 0.02 |
| Margin money deposits | - | 0.16 |
| Bank Deposits maturing more than 3 months but less than 12 months | 49.14 | 30.98 |
| Restricted Bank Balances | 2.15 | 2.25 |
| **Total** | **121.11** | **104.24** |

Term deposits are made for varying periods having maturity of more than 3 months.

## 14 Loans

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Loan carried at amortised cost** | | |
| **Unsecured, considered good** | | |
| **Loan to related parties (Refer Note 45)** | | |
| Opening balance | 282.36 | 879.15 |
| Loans given during the year | 822.73 | 1,800.73 |
| Loans repaid | (1,010.42) | (2,397.52) |
| Effect of foreign currency differences | - | - |
| **Closing balance** | **94.67** | **282.36** |
| **Loan to other entities** | | |
| Opening balance | 1,647.26 | 1,346.47 |
| Loans given during the year | 1,210.00 | 457.62 |
| Loans repaid | (1,071.20) | (197.42) |
| Effect of foreign currency differences | - | 40.59 |
| **Closing balance** | **1786.06** | **1,647.26** |
| **Total** | **1,880.73** | **1,929.62** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand.

The loans were given to respective parties for their working capital needs and general corporate purpose. The transactions were made on normal commercial terms and conditions and at the market rate. The average interest rate on the loans during the year was 4.95% to 18.00% (March 31, 2025 – 4.95% to 18.00%)

| Type of Borrower | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
| Related Parties | 94.67 | 5% | 282.36 | 15% |
| Other Parties | 1,787.56 | 95% | 1,648.76 | 85% |
| **Total** | **1,882.23** | **100%** | **1,931.12** | **100%** |

**Particulars of loan granted u/s 186 of the Companies act 2013.**

| Loans/Inter Corporate Deposits Receivable Related Party wise. (Non Current Loans and Current Loans) | For FY 2025-26 | | For FY 2024-25 | |
|---|---|---|---|---|
| | Loan O/s as at March 31, 2026 | Maximum O/s Balance in FY 2025-26 | Loan O/s as at March 31, 2025 | Maximum O/s Balance in FY 2024-25 |
| Hinduja Group Limited | 49.95 | 67.95 | 33.65 | 223.55 |
| Hinduja Realty Ventures Limited | 20.63 | 251.72 | 198.70 | 625.06 |
| HFL Enterprises Limited (formerly known as Hinduja Finance Limited) | 24.09 | 24.09 | 19.93 | 38.05 |
| **Total** | **94.67** | | **252.28** | |

* Based on an external legal opinion obtained by the Company, the Company has concluded that Hinduja Leyland Finance Limited, Hinduja Energy (India) Limited and Hinduja National Power Corporation Limited are not related parties of the Company as defined under Ind AS 24, Related Party Disclosures.

| Loans/ Inter Corporate Deposits Receivable from Other Party (Non Current Loans and Current Loans) | Rate of Interest | For FY 2025-26 | | For FY 2024-25 | |
|---|---|---|---|---|---|
| | | Loan O/s as at March 31, 2026 | Maximum O/s Balance in FY 2025-26 | Loan o/s as at March 31, 2025 | Maximum O/s Balance in FY 2024-25 |
| Hinduja Automotive Ltd | FY26 - 6.00%<br>FY25- 4.95% | 440.00 | 439.50 | 393.38 | 393.38 |
| Machen Dev Corporation | FY26 - 6.00%<br>FY25 - 6.00% | 1,314.72 | 1,314.94 | 1,123.17 | 1,123.17 |
| Hinduja Energy (India) Limited | FY26 - 9.00 - 12.25%<br>FY25 - 9.00 - 12.25% | 31.34 | 397.99 | 130.88 | 510.12 |
| Cyqurex System Private Limited | FY26 - 10.85% - 11.40%<br>FY25 - 9.00% | - | 30.08 | 30.08 | 30.08 |
| Bhima Sahakari Sakhar Karkhana Niyamit | FY26 - 9.00%<br>FY25 - 9.00% | 1.50 | 1.50 | 1.50 | 1.50 |
| **Total** | | **1,787.56** | | **1,648.76** | |

Refer Note 7 & 14

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 15 Other current financial asset

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Security Deposit | 12.63 | 11.67 |
| Less: Provision for security deposits | (3.26) | (1.04) |
| | **9.37** | **10.63** |
| Interest accrued on deposits/ loans | 104.28 | 126.00 |
| Derivatives - Foreign Exchange Forward Contracts (Refer Note 47) | - | 0.59 |
| Finance lease receivables (Refer note 53) | 5.89 | 3.48 |
| Income receivable | - | 0.13 |
| Other receivables | 16.73 | 35.68 |
| Less : Provision for Other receivables | (1.08) | (0.51) |
| | **15.62** | **35.17** |
| **Total** | **135.19** | **176.00** |

## 16 Other Current assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Unsecured considered good, unless otherwise stated** | | |
| Balances with Government Authorities | 227.77 | 166.30 |
| Advance to employees | | |
| - Good | 5.62 | 5.46 |
| - Doubtful | 0.13 | 0.13 |
| | 5.75 | 5.59 |
| Less: Provision for Doubtful Advances | (0.13) | (0.13) |
| | 5.62 | 5.46 |
| Advance to Vendors | 14.59 | 14.70 |
| Prepaid Expenses | 99.42 | 90.23 |
| Other | 13.31 | 18.85 |
| **Total** | **360.73** | **295.54** |

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 17 Equity Share capital

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Authorized:** | | |
| 7,98,50,000 (March 31, 2025: 79,850,000) equity shares of ₹ 10/-each | 79.85 | 79.85 |
| 150,000 (March 31, 2025: 150,000) 1% Participatory redeemable Non cumulative preference shares of ₹ 10/- each | 0.15 | 0.15 |
| | **80.00** | **80.00** |
| **Issued, subscribed and Paid up :** | | |
| 46,520,285 (March 31, 2025: 46,520,285) equity shares of ₹ 10/- each fully paid | 46.52 | 46.52 |
| **Total** | **46.52** | **46.52** |

**(i) Movements in equity share capital**

| Particulars | No. of shares | Equity share Capital (par value) |
|---|---|---|
| **As at March 31, 2024** | **4,65,20,285** | **46.52** |
| Changes in equity share capital during the year | - | - |
| **As at March 31, 2025** | **4,65,20,285** | **46.52** |
| Changes in equity share capital during the year | - | - |
| **As at March 31, 2026** | **4,65,20,285** | **46.52** |

**(a) Terms/ rights attached to equity shares**

Equity Shares: The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend which are approved by Board of Directors in Board Meeting . In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(ii) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

| Name of the Shareholder | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of Shares | % held | Number of Shares | % held |
| Hinduja Group Limited | 1,76,07,646 | 37.85 | 1,76,07,646 | 37.85 |
| Hinduja Realty Ventures Limited | 29,83,382 | 6.41 | 29,83,382 | 6.41 |
| Amas Mauritius Limited | 65,29,371 | 14.04 | 65,29,371 | 14.04 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**(iii) Shareholding of Promoters**

| Name of the Promoters | As at March 31, 2026 | | As at March 31, 2025 | | % Change during the year |
|---|---|---|---|---|---|
| | Number of Shares | % held | Number of Shares | % held | |
| Hinduja Group Limited | 17,607,646 | 37.85 | 17,607,646 | 37.85 | - |
| Hinduja Realty Ventures Limited | 2,983,382 | 6.41 | 2,983,382 | 6.41 | - |
| Hinduja Group Limited jointly with Hinduja Realty Ventures Limited | 605,862 | 1.30 | 605,862 | 1.30 | - |
| Hinduja Properties Limied | 59,334 | 0.13 | 59,334 | 0.13 | - |
| Amas Mauritius Limited | 6,529,371 | 14.04 | 6,529,371 | 14.04 | - |
| Aasia Corporation LLP | 366,885 | 0.79 | 366,885 | 0.79 | - |
| Harsha Ashok Hinduja Jt. Ashok P. Hinduja | 1,176,672 | 2.53 | 1,176,672 | 2.53 | - |
| Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger) | 1,142,979 | 2.46 | 1,142,979 | 2.46 | - |
| Ambika Ashok Hinduja | 385,392 | 0.83 | 385,392 | 0.83 | - |
| Shom Ashok Hinduja | 304,429 | 0.65 | 304,429 | 0.65 | - |
| Ashok P. Hinduja Jt. Harsha Ashok Hinduja | 98,528 | 0.21 | 98,528 | 0.21 | - |
| Vinoo S. Hinduja | 141,515 | 0.30 | 141,515 | 0.30 | - |
| Ashok P. Hinduja, Karta of A.P. Hinduja (HUF) | 118,127 | 0.25 | 118,127 | 0.25 | - |
| Shanoo S. Mukhi | 2,213 | - | 2,213 | - | - |
| Harsha Ashok Hinduja | 36,302 | 0.08 | 36,302 | 0.08 | - |
| Ashok P. Hinduja | 68,711 | 0.15 | 68,711 | 0.15 | - |

| Name of the Promoters | As at March 31, 2025 | | As at March 31, 2024 | | % Change during the year |
|---|---|---|---|---|---|
| | Number of Shares | % held | Number of Shares | % held | |
| Hinduja Group Limited | 1,76,07,646 | 37.85 | 1,63,19,452 | 35.08 | 2.77 |
| Hinduja Realty Ventures Limited | 29,83,382 | 6.41 | 29,83,382 | 6.41 | - |
| Hinduja Group Limited jointly with Hinduja Realty Ventures Limited | 6,05,862 | 1.30 | 17,65,862 | 3.80 | (2.50) |
| Hinduja Properties Limied | 59,334 | 0.13 | 59,334 | 0.13 | - |
| Amas Mauritius Limited | 65,29,371 | 14.04 | 65,29,371 | 14.04 | - |
| Aasia Corporation LLP | 3,66,885 | 0.79 | 3,66,885 | 0.79 | - |
| Harsha Ashok Hinduja Jt. Ashok P. Hinduja | 11,76,672 | 2.53 | 11,76,672 | 2.53 | - |
| Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger) | 11,42,979 | 2.46 | 11,42,979 | 2.46 | - |
| Ambika Ashok Hinduja | 3,85,392 | 0.83 | 3,85,392 | 0.83 | - |
| Shom Ashok Hinduja | 3,04,429 | 0.65 | 3,04,429 | 0.65 | - |
| Ashok P. Hinduja Jt. Harsha Ashok Hinduja | 98,528 | 0.21 | 98,528 | 0.21 | - |
| Vinoo S. Hinduja | 1,41,515 | 0.30 | 1,41,515 | 0.30 | - |
| Ashok P. Hinduja, Karta of A.P. Hinduja (HUF) | 1,18,127 | 0.25 | 1,18,127 | 0.25 | - |
| Shanoo S. Mukhi | 2,213 | - | 2,213 | - | - |
| Harsha Ashok Hinduja | 36,302 | 0.08 | 36,302 | 0.08 | - |
| Ashok P. Hinduja | 68,711 | 0.15 | 68,711 | 0.15 | - |

(iv) The Board of Directors of the Holding company at their meeting held on January 6, 2022 have approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of Rs. 10/- each for every 1 (One) existing Equity Share of Rs. 10/- each, with a record date of February 23, 2022.

(v) The shareholders of the Company approved the proposal of buyback of Equity Shares recommended by the Board of Directors by way of e-voting through postal ballot at the Maximum buyback price of Rs. 1,700/- per equity share and the Maximum buyback size of Rs. 1,020 crores. Subsequently, the Buyback Committee at its meeting held on January 27, 2023 has approved the buyback of 0.60 crore Equity Shares at a price of Rs 1,700 i.e. up to Rs. 1,020 crores (excluding transaction cost taxes) with the Record Date of March 6, 2023.

The buyback was offered to all eligible equity shareholders of the Company on proportionate basis through the "Tender offer" route in accordance with SEBI (Buy-back of Securities) Regulations, 2018. The Buyback of equity shares has commenced on May 22, 2023 and closed on June 2, 2023. The buyback settlement was complete on June 9, 2023.

The Company had bought back 0.60 crore equity shares of Face Value of Rs 10 each ( i.e. Rs 6 crores) at a price of Rs. 1,700 per equity share by utilising its Securities premium reserve, General Reserve and Retained Earnings. The Company credited 'Capital Redemption Reserve' with an amount of Rs. 6 crore, being amount equivalent to the nominal value of the Equity Shares bought back as an appropriation from General Reserve . The Buyback resulted in cash outflow of Rs. 1,020 crores (excluding transaction cost and taxes) and reduction of 11.43% of pre-buyback paid up equity share capital of the Company as at March 31, 2023.

## 18 Borrowings

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **A. Borrowings - non-current at amortized cost (Refer Note 58)** | | |
| **Secured** | | |
| Term loans from banks | | |
| Corporate loan | 632.26 | 718.74 |
| Other Loans | - | 0.02 |
| **Unsecured** | | |
| Others | 101.24 | 50.13 |
| **Total borrowings** | **733.50** | **768.89** |
| Less: Current maturities of long-term debt | 495.58 | 429.29 |
| Less: Interest accrued (included in note 23) | 10.20 | 9.52 |
| **Non-current borrowings** | **227.72** | **330.08** |
| **B. Borrowings - current at amortized cost (Refer Note 58)** | | |
| **Secured** | | |
| Bank Overdrafts | 179.00 | 185.00 |
| Working capital demand loan | 167.02 | 131.74 |
| Others | - | 0.40 |
| **Unsecured - at amortised cost** | | |
| Loans from related parties (Refer note 45) | 216.20 | 85.67 |
| Loans from other parties | 8.50 | - |
| Others | - | 24.72 |
| **Total Current borrowings** | **570.72** | **427.53** |
| **c. Current maturities of Long term borrowings** | | |
| Secured - Term loans from banks | 452.67 | 350.27 |
| Other Loans | 42.91 | 79.02 |
| **Total** | **495.58** | **429.29** |
| **Total Current borrowings** | **1,066.30** | **856.82** |
| **Total borrowings** | **1,294.02** | **1,186.90** |

* Refer Note 39 & 58.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 19 Lease Liabilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **a. Lease Liabilities - non-current** | | |
| Total lease Liabilities | 673.89 | 756.27 |
| Less: Current Maturities of Lease Obligations | (313.84) | (338.57) |
| | **360.05** | **417.70** |
| **b. Lease Liabilities - current** | 313.84 | 338.57 |
| | **313.84** | **338.57** |
| **Total** | **673.89** | **756.27** |

Note: Refer Note 53

## 20 Other non-current financial liabilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Security deposits | 3.84 | 4.95 |
| Others | 17.45 | - |
| **Total** | **21.29** | **4.95** |

## 21 Provisions

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Pension (Refer Note 43) | 28.27 | 36.24 |
| Gratuity (Refer Note 43) | 22.63 | 10.57 |
| Compensated absences (Refer Note 43) | 16.36 | 15.81 |
| Others* | 0.45 | 153.44 |
| **Total** | **67.71** | **216.06** |

*Includes provision for employee entitlements Rs. 0.45 crore (March 31, 2025 Rs. 0.25 Crore) and provision for legal disputes of Rs. Nil (March 31, 2025 Rs. 153.19 crore) basis opinion from Legal Counsel (Refer Note 51)

## 22 Trade Payables

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| i. total outstanding dues of micro enterprises and small enterprises (Refer Note 52) | 5.30 | 3.78 |
| ii. total outstanding dues of creditors other than micro enterprises and small enterprises | 345.94 | 505.31 |
| **Total** | **351.24** | **509.09** |

Note: For Related party transactions refer Note 45.

(All amounts are in ₹ Crore)

### Trade Payables ageing schedule As at March 31, 2026

| Particulars | Not due& Accrued | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 1.63 | 3.67 | - | - | - | **5.30** |
| (ii) Others | 190.31 | 105.65 | 21.63 | 21.65 | 6.70 | **345.94** |
| (iii) Disputed dues – Micro enterprises and small enterprises | - | - | - | - | - | **-** |
| (iv) Disputed dues | - | - | - | - | - | **-** |
| **Total** | **191.94** | **109.32** | **21.63** | **21.65** | **6.70** | **351.24** |

### Trade Payables ageing schedule As at March 31, 2025

| Particulars | Not due& Accrued | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 0.62 | 3.16 | - | - | - | **3.78** |
| (ii) Others | 180.19 | 214.76 | 25.06 | 3.12 | 82.18 | **505.31** |
| (iii) Disputed dues – Micro enterprises and small enterprises | - | - | - | - | - | **-** |
| (iv) Disputed dues | - | - | - | - | - | **-** |
| **Total** | **180.81** | **217.92** | **25.06** | **3.12** | **82.18** | **509.09** |

## 23 Other current financial liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Interest accrued but not due | 10.20 | 9.52 |
| Employee benefits payable | 139.70 | 133.03 |
| Capital Creditors (other than those payable to MSME) | 21.69 | 20.71 |
| Unpaid Dividend [Refer note (a) below] | 69.83 | 70.83 |
| Deferred consideration payable (Refer Note 51) | - | 85.43 |
| Security deposits | 0.91 | 4.22 |
| Other payable | 15.88 | 16.92 |
| **Total** | **258.21** | **340.66** |

a. There were no delays in depositing an unclaimed dividend to Investor Education and Protection Fund (IEPF).

## 24 Provisions

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Gratuity (Refer Note 43) | 17.47 | 12.88 |
| Compensated Absences (Refer Note 43) | 28.33 | 23.97 |
| **Total** | **45.80** | **36.85** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 25 Contract liabilities - Non Current

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Income received in advance | 0.32 | 0.25 |
| **Total** | **0.32** | **0.25** |

## 26 Current Contract liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Income received in advance | 37.02 | 48.90 |
| **Total** | **37.02** | **48.90** |

## 27 Other Current liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Advances from customers | 97.47 | 61.42 |
| Statutory dues payable | 83.56 | 58.54 |
| Other Payables | 72.73 | 15.94 |
| **Total** | **253.76** | **135.90** |

## 28 Revenue from operations

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Sale of products** | | |
| - Traded Goods | 124.05 | 48.38 |
| **Sale of services** | | |
| - Business Process Management | 3,064.79 | 3,150.13 |
| - Subscription - direct / cable operators | 392.52 | 435.99 |
| - Installation charges | 19.93 | 17.27 |
| - Channel placement fees | 98.68 | 146.06 |
| - Marketing & Promotion | 277.03 | 155.52 |
| - LCN Incentive | 96.52 | 122.68 |
| - Internet Service | 190.18 | 241.41 |
| - Network Operations | 0.03 | 12.20 |
| - Sale of Film Rights | 0.04 | 2.23 |
| - Others | 2.97 | 10.04 |
| **Other operating revenues** | | |
| - Technical advisory fees | 0.55 | 0.24 |
| - Advertisement income | 28.38 | 43.20 |
| - Other lease income | 5.71 | 4.55 |
| - Other operating income | 5.98 | 14.26 |
| **Total** | **4,307.36** | **4,404.18** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**i) Business Process Management (BPM)**

Revenue is recognized at Point in Time basis in respect of the services provided by the Group.

The Group believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

| Country / region | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| USA and Canada | 1,581.91 | 1,842.26 |
| India | 415.61 | 376.76 |
| UK & Europe | 554.83 | 576.33 |
| Rest of the world | 512.44 | 354.78 |
| **Total revenue from contracts with customers** | **3,064.79** | **3,150.13** |

| Major product/service lines | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Business Process Management | 3,064.79 | 3,150.13 |
| **Total revenue from contracts with customers** | **3,064.79** | **3,150.13** |

| Category of customer | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Technology, Media & Telecom | 930.81 | 1,144.52 |
| Banking, Financial Services & Insurance | 798.80 | 740.32 |
| Consumer Goods & Retail | 744.56 | 831.24 |
| Public Sector | 359.42 | 203.32 |
| Health & Life Science | 94.57 | 89.08 |
| Others | 136.63 | 141.65 |
| **Total revenue from contracts with customers** | **3,064.79** | **3,150.13** |

**ii) Digital, Media & Communications**

The Group earns installation revenue on activation of set-top boxes ('STB') at customer premises, thus money is collected on or before installation of STB. In case of subscription income, the Group largely operates on limited customer base / geographies where the credit limit is less than a year. Also, channel placement / carriage income and LCN income from broadcasters have similar credit risks.

Media & Communications business, is India's premier integrated Digital Delivery Platforms Group delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns in India.

The following table provides a reconciliation of the revenue recognised in the statement of profit and loss with the contract price:

| Subscription revenue | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Contracted price | 396.43 | 439.79 |
| Add: Allocation of transaction price from bundled contracts | - | - |
| Add: Deferred revenue adjustments | - | - |
| Less: Unbilled revenue adjustments | - | - |
| Discounts to LCO's | (3.91) | (3.80) |
| **Revenues recognised as per the Statement of profit and loss** | **392.52** | **435.99** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| **Installation revenue** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Contracted price | 19.68 | 16.62 |
| Less: Allocation of transaction price to subscription revenue for bundled contracts | - | - |
| Add: Adjustment for deferral for installation revenue | 0.25 | 0.65 |
| **Revenues recognised as per the Statement of profit and loss** | **19.93** | **17.27** |

| **Channel placement fees** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Contracted price | 100.19 | 302.92 |
| Add: Adjustment for deferral for channel placement revenue | (1.51) | (1.34) |
| **Revenues recognised as per the Statement of profit and loss** | **98.68** | **301.58** |

| **Subscription - Internet Service** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Contracted price | 232.26 | 279.49 |
| Less: Allocation of transaction price for bundled contracts | - | - |
| Add/Less : Adjustment for deferral and unbilled revenue adjustments | (42.08) | (38.08) |
| **Revenues recognised as per the Statement of profit and loss** | **190.18** | **241.41** |

**The table below discloses the movement in contract liabilities during the year:**

| | **Contract Asset (Unbilled Revenue)** | **Contract Liability (Advance billing)** | **Contract Liability Advance from customer** |
|---|---|---|---|
| **Balance as at 31 March 2024** | **5.12** | **43.50** | **9.66** |
| Less: revenue recognised that was included in the contract liabilities at the beginning of the year | (5.12) | (38.87) | (9.66) |
| Add: invoices raised for which no revenue is recognised during the year | 25.89 | 28.64 | 21.11 |
| **Balance as at 31 March 2025** | **25.89** | **33.27** | **21.11** |
| Less: revenue recognised that was included in the contract liabilities at the beginning of the year | (25.89) | (33.27) | (21.11) |
| Add: invoices raised for which no revenue is recognised during the year | 13.91 | 37.34 | 26.96 |
| **Balance as at 31 March 2026** | **13.91** | **37.34** | **26.96** |

**The table below discloses the movement in contract assets during the year:**

| **Unbilled receivables** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Balance as at Beginning of the year | 25.89 | 5.12 |
| Less: Invoices issued in the current year that was included in contract assets in the beginning of the year | (25.89) | (5.12) |
| Add: Revenue recognised in the current year for which no invoice is raised in the current year | 13.91 | 25.89 |
| **Balance as at closing of the year.** | **13.91** | **25.89** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 29 Other income

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Interest income on financial assets carried at amortised cost | 347.65 | 427.02 |
| Interest income on income tax refund | 18.81 | 20.49 |
| Dividend income: | | |
| - from quoted equity investments measured at FVTPL/FVTOCI | 0.75 | 1.48 |
| Lease income | 10.11 | 12.96 |
| Fair value gains on : | | |
| - net gain on financial instruments at fair value through profit or loss | 0.59 | - |
| Unwinding of discount on security deposits | 87.23 | 5.86 |
| Foreign Exchange Gain (net) | 63.17 | 22.81 |
| Income from discontinuation of leases | 0.26 | 0.22 |
| Liabilities/ Provisions no longer payable written-back | 8.97 | 16.66 |
| Bad debts recovered | 1.15 | - |
| Provision for Doubtful Debts no longer required written-back | 1.93 | (0.53) |
| Miscellaneous income | 9.03 | 46.75 |
| **Total** | **549.66** | **554.58** |

## 30 Changes in inventories

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **At the beginning of the year** | | |
| Network cable, equipment and traded goods | 23.30 | 11.05 |
| Media inventory | 2.62 | 5.59 |
| | **25.92** | **16.64** |
| **At the end of the year** | | |
| Network cable, equipment and traded goods | (30.84) | (23.30) |
| Media inventory | - | (2.62) |
| | (30.84) | (25.92) |
| **Total** | **(4.92)** | **(9.28)** |

## 31 Employee benefits expense

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Salaries and wages | 2,279.15 | 2,330.62 |
| Contribution to provident and other funds (Refer Note 43) | 148.81 | 123.90 |
| Gratuity and Pension expense (Refer Note 43) | 3.37 | 1.77 |
| Staff welfare expenses | 10.14 | 22.37 |
| **Total** | **2,441.47** | **2,478.66** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 32 Finance costs

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Interest expense on | | |
| -Term loans from bank | 49.48 | 20.16 |
| -Cash credit and others | 10.72 | 15.13 |
| - intercorporate deposit | 48.46 | 46.45 |
| - delayed payment of taxes and others | 0.16 | 0.13 |
| - financial Liabilities carried at amortised cost | 2.59 | 17.98 |
| - other loans | 17.07 | 32.70 |
| Interest expense on leases | 73.26 | 85.19 |
| Other Borrowing Costs | | |
| - bank guarantee Charges | 5.05 | 0.03 |
| - other cost | 0.02 | 11.37 |
| **Total** | **206.81** | **229.14** |

## 33 Depreciation and Amortization expenses

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Depreciation on property, plant and equipment (Refer Note 2) | 106.06 | 131.72 |
| Depreciation on Right of use assets (Refer Note 3) | 279.28 | 282.50 |
| Amortization of intangibles (Refer Note 4a) | 118.95 | 108.10 |
| Investment Properties (Refer Note 5) | 0.50 | 0.49 |
| **Total** | **504.79** | **522.81** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 34 Other expenses

| | For the Year ended March 31, 2026 | For the Year ended March 31, 2025 |
|---|---|---|
| Subscription - pay channels | 737.57 | 648.18 |
| Lease rental - duct | 2.56 | 3.85 |
| Bandwidth charges | 35.82 | 37.79 |
| Installation expenses | 2.93 | 1.25 |
| Maintenance Charges | 1.64 | 1.32 |
| Fiber charges/ infrastructure fees | 20.55 | 32.48 |
| Distribution and operation charges | 3.60 | 3.60 |
| Power and Fuel | 27.97 | 27.66 |
| Rent (Refer Note 53) | 21.13 | 25.27 |
| Repairs and Maintenance - Machinery | 14.41 | 8.25 |
| Repairs and Maintenance - Leased Premises | 12.85 | 11.29 |
| Repairs and Maintenance - Others | 25.57 | 25.10 |
| Insurance | 15.59 | 16.44 |
| Rates and Taxes | 20.36 | 16.92 |
| Directors' sitting fees and Commission (net) (Refer Note 45) | 1.60 | 1.81 |
| Connectivity Cost | 131.39 | 146.06 |
| Advertisement and Business Promotion | 42.50 | 32.81 |
| Communication | 32.54 | 39.91 |
| Travelling, Conveyance and Car Hire Charges | 51.05 | 46.51 |
| Royalty | 7.02 | 6.57 |
| Legal and Professional | 148.83 | 149.22 |
| Training and Recruitment | 16.07 | 19.01 |
| Commission | 80.47 | 79.46 |
| Technical and management fees | 1.25 | 1.16 |
| Donations | 0.17 | 0.54 |
| Software Expenses | 94.16 | 97.44 |
| Fulfillment Cost | 0.51 | 0.88 |
| Contract - services | 40.74 | 45.92 |
| Corporate Social Responsibility (Refer Note no 35) | 0.41 | 2.18 |
| Bad Debts/ Advances Written off | 4.20 | 4.75 |
| Allowance for bad and doubtful debts/ advances | 7.62 | 26.13 |
| Call centre charges | 1.74 | 2.19 |
| Loss on Sale of Property, plant and equipment | 0.18 | 0.61 |
| Bank Charges and Commission | 3.26 | 5.34 |
| Miscellaneous Expenses* | 31.34 | 39.64 |
| **Total** | **1,639.59** | **1,607.54** |

* Miscellaneous expenses includes contribution of Nil ( 2024-25 ₹ 35 crores) to an Electrol Trust in accordance with Section 182 of the Companies Act 2013.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 35 Corporate Social Responsibility (CSR)

| | March 31, 2026 | March 31, 2025 |
|---|---:|---:|
| Opening unspent amount | - | 2.34 |
| I Gross amount required to be spent by the Company during the year | 0.41 | 2.18 |
| II Amount spent during the year: | | |
| a. Construction/ acquisition of any asset | - | - |
| b. On various activities (Refer note 1 below) | 0.41 | 4.52 |
| III Shortfall/Unspent at the end of the year: | - | - |
| IV Total of previous years shortfall | - | - |
| V Reason for shortfall | Not applicable | Not applicable |

**Note-1**: The Company's CSR spending obligation for the financial year ended March 31, 2024 was ₹ 5.67 crores. Out of which, the Company has spent ₹ 3.33 crores on CSR activities before March 31, 2024. Balance unspent amount of ₹ 2.34 crores was transferred on April 16, 2024 to Unspent CSR Account as per sub-section (6) of section 135 of the Companies Act, 2013 for ongoing CSR activities. There is no balance unspent at the end of FY25 and FY26.

| Amount spent during the year* | March 31, 2026 | March 31, 2025 |
|---|---:|---:|
| a. Construction/ acquisition of any asset | - | - |
| b. On various activities (Refer note 2 below) | 0.41 | 4.52 |
| **Total** | **0.41** | **4.52** |

* There are no amounts yet to be paid in cash.

**Note 2: Amount Spent during the year**

| Vendor Name | Nature of CSR Activity | Amount Spent during 2025-26 | Amount Spent during 2024-25* |
|---|---|---:|---:|
| Hinduja Foundation | Water, Education & Rural Development Project, T1 Diabetes program with Hinduja Hospital, Mumbai,ICU upgradation at PD Hinduja Sindhi Hospital, Bengaluru,Road to School Program with Learning Links Foundation at Nilgiri and Rainwater harvesting and waste water recycling at Maharashtra Police | 0.30 | 3.06 |
| Learning Links Foundation | Support for the holistic development of children as part of Road To School program in Bengaluru. | - | 0.45 |
| Samarthanam Trust for the Disa | Education, Life skill Training for disabled,Support for vocational skills training and placement of persons with disabilities. | - | 0.05 |
| Step Up For India | Contribution towards Implementing Comprehensive English Program. | - | 0.15 |
| The Akshaya Patra Foundation | Contribution towards Mid-day Meals Program. | 0.06 | 0.25 |
| Nasscom Foundation | NASCOMM-Skills | 0.05 | 0.20 |
| NBAW Association | Spring shed Rejuvenation Program, Pantnagar | - | 0.10 |
| Ambuja Cement Foundation | Sustainable Water Management Project, Phalodi | - | 0.17 |
| Bhagirathi Mahila Sanstha | Promoting preventive health care activities and promoting education | - | 0.09 |
| **Total Amount spent during the year** | | **0.41** | **4.52** |

During the previous year FY 2024-25 the Group has spent ₹ 4.52 Crore (FY 2024-25 - ₹ 2.18 Crore and FY 2023-24 - ₹ 2.34 Crore) on CSR activities before March 31, 2025.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 36 Share Based Payments

### a) Employee Option Plan

Details of the employee stock option plan are as given below.

| Particulars | ESOP 2008 | ESOP 2011 |
|---|---|---|
| Details of the plan | The Shareholders of the Company at their Annual General Meeting held on September 27, 2008 granted approval to HTMT Global Solutions Limited Employees Stock Option Plan 2008 (now Hinduja Global Solutions Limited Employees Stock Option Plan 2008) ("ESOP 2008"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2008 and options were granted on July 31, 2009. | The Shareholders of the Company at their Annual General Meeting held on August 1, 2011 granted approval to Hinduja Global Solutions Limited Employees Stock Option Plan 2011 ("ESOP 2011"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2011 and options were granted on November 11, 2011. |
| Maximum grant of options | The maximum number of options that could be issued under ESOP 2008 is 205,380 (being 1% of the outstanding equity shares of the Company as at April 1, 2009). | The maximum number of options that could be issued under ESOP 2011 is 308,838 (being 1.5% of outstanding paid up capital of the Company as at April 1, 2011). |
| Vesting period | Options to vest over a period of three years from the date of their grant as under:<br>- 1/6th of the options granted will vest on the first anniversary of the grant date.<br>- 1/3rd of the options granted will vest on the second anniversary of the grant date.<br>- 1/2 of the options granted will vest on the third anniversary of the grant date. | Options to vest over a period of three years from the date of their grant as under:<br>- 1/6th of the options granted will vest at the end of one year from the grant date.<br>- 1/6th of the options granted will vest at the end of 18 months from the grant date.<br>- 1/6th of the options granted will vest at the end of 24 months from the grant date.<br>- 1/4th of the options granted will vest at the end of 30 months from the grant date.<br>- 1/4th of the options granted will vest at the end of 36 months from the grant date. |
| Exercise period | Options vested with an employee will be exercisable prior to completion of the 48th month from the date of their grant by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme. | Options vested with an employee will be exercisable prior to completion of the 24th month from the date of vesting of options by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme. |
| Grant/re-grant options | The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above. | The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above. |

The exercise price per share is determined on the basis of closing price at the National Stock Exchange of India Limited immediately preceding the grant date.

The fair value of stock option has been calculated using Black-Scholes Option Pricing Model.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 37 Contingent Liabilities

### a) Contingent Liabilities

**A) Claims against the group not acknowledged as debts:**

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **1. Income Tax demand:** | | |
| (i) Prior AY 2007-08 (Refer note 1) | 170.91 | 170.91 |
| (ii) From AY 2007-08 (Refer note 2 below) | 106.74 | 106.11 |
| (iii) From 2021-2022 to 2023-2024 (Refer Note 61) | 281.59 | - |
| (iv) Others (Refer notes 3 & 4 below) | 52.10 | 162.16 |
| **2. Claims against the Company not acknowledged as debts:** | | |
| Entertainment Tax (Refer note 5 below) | 26.49 | 24.82 |
| Sales Tax and VAT (Refer note 7 below) | 39.63 | 39.63 |
| Cable Television Related Cases | 2.34 | 2.34 |
| Service Tax (Refer note 6 below) | 127.94 | 127.94 |
| License Fee (Department of Telecommunication) (Refer note 8 below) | 656.08 | 656.47 |
| Demands of Custom Duty in a Subsidiary Company against which it has filed appeal (Refer note 9 below) | 19.22 | 19.42 |
| Local body tax | 0.73 | 0.73 |
| Goods and Service tax | 43.63 | 20.87 |
| Poll tax | 0.22 | 0.22 |
| Others | 14.82 | 15.06 |
| **3. Guarantees / counter guarantees:** | | |
| Bank Guarantees given (Refer Note 11 & 12 below) | 1,264.53 | 1,147.36 |
| Custom authorities | 3.47 | 3.47 |
| **Other commitments** | | |
| Provident fund (Refer note 10) | 4.09 | 4.09 |

**Notes:**

1. NDL Ventures Limited (Formerly known as NXTDIGITAL Limited) has received income tax demand pertaining to IT/ ITES business aggregating ₹ 71.44 crore in respect of the period prior to October 1, 2006, which is reimbursable by the Group pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Group sanctioned by the High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Group had paid ₹ 55.50 crore to NDL Ventures Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Group has received a refund of ₹ Nil including interest of ₹ Nil during the year. (March 31, 2025 - ₹ Nil including interest of ₹ Nil).

NDL Ventures Limited (Formerly known as NXTDIGITAL Limited) also received income tax demand pertaining to IT/ ITES business in respect of the same issue for the A.Y. 2002-03 to A.Y. 2007-08. Pursuant to the Scheme of Arrangement and Reconstruction for the merger of Digital, Media & Communications Business into the Company sanctioned by the High Court of Judicature of Bombay and made effective on February 1, 2022, all liabilities of the demerged undertaking stand transferred to the Resulting Company. The aggregate demand is ₹ 170.91 crore including interest ₹ 82.91 crore. (March 31, 2025 - 170.91 crore including interest ₹ 82.91 crore respectively).

2. The Group has received Income Tax Demand orders for the A.Y. (Assessment Year) 2007-08 to A.Y. 2011-12. In all the above assessment orders, demand has been raised mainly on account of denial of section 10A benefit as per the Income Tax Act 1961 in respect of profit earned by the Company's undertaking in Software Technology Parks. The aggregate demand is ₹ 106.74 crore including interest ₹ 19.25 crore. (March 31, 2025 - ₹ 106.11 crore, ₹ 19.25 crore respectively). Against the above demands, the respective companies have made various appeals before the relevant Appellate Authority; NXTDIGITAL Limited received a favourable order from Honourable High Court of Bombay in respect of year 2005-06 dated July 26, 2017. The Honourable Supreme Court of India has admitted a Special Leave Petition (SLP) in respect of the same matter for the years A.Y. 2002-03 to A.Y 2005-06. Future cash outflow in respect of above, if any, is determinable only on receipt of judgements/ decisions pending with relevant authorities and accordingly the amounts are disclosed as a contingent liability. In view of legal advice obtained the Management considers these disallowances as not tenable against us, and therefore no provision for this tax contingency has been recognised.

3. The Group is subject to legal proceedings and claims. Some of the claims involve complex legal issues and therefore it is not possible to make a reasonable estimate of the expected financial effect, if any, that could result from ultimate resolution of such proceedings. The Group makes provisions to cover the expected risk of loss to the extent that negative outcomes are likely and reliable estimates can be made, however it is possible that the final resolution of any litigation could require the Group to make additional expenditures in excess of provisions that the Group may establish. The Group's Management reasonably expects that these legal actions, when ultimately concluded and determined, may not have a material and adverse effect on the Group's results of operations or financial condition.

4. During the previous year, One OTT Intertainment Limited (subsidiary company) received a demand order from Income Tax for ₹ 1.85 crores pertaining to AY 2016-17. In the said year, the subsidiary company had acquired Broadband division of IMCL through a court approved Scheme of Arrangement for Slump sale. Based on the scheme and the order passed by the Hon'ble Bombay High Court dated 4th March, 2016, subsidiary company has booked intangible assets in form of Business and Commercial Rights amounting to ₹ 267 crores and claimed depreciation on the same. The Assessing Officer, based on certain secondary documents, has wrongly considered the transfer of business from Holding Company to the subsidiary company as demerger u/s. 2(19)(aa) instead of Slump Sale u/s. 2(42C) of the Income Tax Act, 1961, as approved by the Bombay High Court. Considering the transaction as demerger, the Assessing officer has disallowed the claim of Depreciation of ₹ 66 crores u/s. 32(5) of the Income Tax Act, 1961. Subsidiary company had preferred an appeal before the Hon'ble CIT (A) – 17, Mumbai and also filed necessary applications before the jurisdictional income tax authorities. During the current year, the CIT(A) has given favourable judgement post which the department has preferred an appeal before the Hon'ble Income Tax Appellate Tribunal. In view of the foregoing, the subsidiary company has treated the said demand as contingent liability.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**5. Entertainment tax ('ET') material disputes**

Entertainment tax on LCO Points (Maharashtra)

The ET authorities issued demand notices relating to Mumbai, Nagpur, Nashik, Hyderabad and Noida as below.

| City | Period | Notice issued by | March 31, 2026 | March 31, 2025 |
|---|---|---|---|---|
| Mumbai | April, 2013 – September, 2013 | District Collector/ Tahsildar | 5.89 | 5.89 |
| Nagpur | April, 2013 – June, 2013 | Office of District Collector, Nagpur | 1.82 | 1.82 |
| Nashik | April, 2013 - July, 2013 | Office of District Collector, Nashik | 0.41 | 0.41 |
| Nagpur | July, 2013 – October, 2014 | Office of District Collector, Nagpur | 10.80 | 10.80 |
| Hyderabad | April, 2010 - March, 2014 | Office of District Collector, Hyderabad | 1.93 | 1.93 |
| Noida | April, 2013 - June, 2017 | Office of District Collector, Noida | 1.08 | 1.08 |
| Mumbai | June, 2012 - February, 2016 | Office of District Collector, Mumbai | 2.88 | 2.88 |
| Noida | Upto June, 2017 | Office of District Collector | 1.02 | - |
| Mumbai | April, 2013 - June, 2017 | Office of District Collector | 0.23 | - |
| Uttar Pradesh | Upto June, 2017 | Office of District Collector | 0.09 | - |
| Uttar Pradesh | April, 2016 - March, 2017 | Office of District Collector | 0.02 | - |
| Uttar Pradesh | April, 2013 - June, 2017 | Office of District Collector | 0.33 | - |
| **Total** | | | **26.49** | **24.81** |

In response to the demand notice issued by the ET authorities in Nagpur, the Parent Company has filed a writ petition with Hon'ble High Court of Bombay (Nagpur Bench) challenging the order of Collector and the validity of GR. The matter shifted to Bombay Bench for Consolidation with writ filed by other MSO's and local cable operator ('LCO') associations in Mumbai and Nashik for similar demand order issued. In the interim, for writ filed by the Company before Nagpur Bench, the Hon'ble High Court of Bombay has stayed any recovery proceeding against the Parent Company and in all writ petitions, Hon'ble High Court of Bombay has directed the LCOs to deposit the ET directly to the Entertainment tax authorities or through the Hon'ble High Court of Bombay. Based on the Orders of the Court, collectors in Mumbai have started to collect the Entertainment tax from the LCO's

The Government of Maharashtra has vide an Ordinance dated February 10, 2014 amended the Maharashtra Entertainment Duty Act, 1923 and the said ordinance was replaced with an Act and amendments passed by the ordinance became part of the Maharashtra Entertainment Duty Act, 1923 vide amendment dated July 25, 2014. The constitutional validity of the Ordinance and the Amendments has been challenged by another MSO and a LCO federation in Maharashtra before the Hon'ble High Court of Bombay. The Parent Company has amended its writ petitions filed before Hon'ble High Court of Bombay.

Based on the above facts, the Parent Company is of the opinion that liability for payment of ET on LCO points for the period April 2013 to June 2017 is not required to be provided in its books as the amount of entertainment tax payable is not ascertainable by the company at this stage and it is not payable by the Parent Company.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**6. Order from Service tax authorities for reversal of Cenvat Credit on Counter-vailing duty ('CVD') paid on import of Set-top box ('STB')**

Effective November 2012, Digital Access System (DAS) was introduced in the broadcasting industry in India, in a phased manner, pursuant to which the Group had paid CVD on imported STB's. The Group issues STBs to end subscribers through LCOs (in some cases directly to subscribers) on payment of activation charges. These STBs are not sold to customers and continue to be asset of the Group. STB's are used for providing output service i.e. Cable operator service. The Group has claimed input credit of CVD paid on import against the output liability on Cable operator services under Rule 3 of CENVAT Credit Rules, 2004. The Service Tax Authorities had issued two show cause notice for the period April 2010 to December 2014 and January 2015 to June 2017, denying the claim of the Group for providing Cable operator services for LCO Points, contending STBs are not necessary for providing said services, thus CVD paid on such STBs cannot be availed as input credit under Cenvat Credit Rules, 2004. The matter was heard by Commissioner of the Service Tax during 2023-2024 and an Order was passed confirming the demand in both the show cause notices along with penalty amounting to ₹ 126.53 crore. In response to the Order, the Group has filed an appeal with the Central Excise and Appellate Tribunal (CESTAT) in April 2019. Based on the above facts, the Group is of the opinion that it still remains the owner of STBs and such STBs have direct nexus with providing of Cable operator services and is thus eligible for input credit and accordingly does not require to make any provisions in the books.

**7. Value Added Tax (VAT) material disputes**

The Group had paid service tax on the activation fees of set top boxes (STB). The VAT authorities in the state of Telangana, Uttar Pradesh, Andhra Pradesh, Karnataka, Gujarat, West Bengal, Maharashtra and Chattisgarh passed orders respectively treating the transaction as transfer of Right to use/ Deemed sale and levied VAT. The Group has filed appeal with respective Appellate authorities.

The Group is of the opinion that it still remains the owner of STBs. Though physical control of STB is passed on to the end subscriber effective control remains with the Group hence the transaction is not required to be taxed as transfer of Right to use/ Deemed sale. Accordingly the Group is of the opinion that it does not require to make any provisions in the books for the said demand.

**8. License fee demand notice from Department of Telecommunication**

IndusInd Media and Communications Limited (IMCL), a direct subsidiary of the Company had received notices during the financial year 2017-2018 from the Department of Telecommunication (DOT) towards alleged revenue loss due to license fees payable along with interest and penalty thereon, for the period 2010-2011 to 2014-2015, aggregating to ₹ 507.75 crores, under the License No. 820-5/2002-LR dated May 16, 2002 (hereinafter referred to as ISP License) and Unified License bearing No. 821-52/2013-DS for ISP Category A for PAN India. During the said period i.e from 2010-15, the ISP license was in the name of IMCL which was subsequently transferred to ONEOTT Intertainment Limited (OIL), a direct subsidiary of the Company with effect from April 1, 2015. DOT demand on the Company was stayed by TDSAT vide its order dated December 20, 2017 and the said stay has not been vacated as on the date of balance sheet.

Further, in connection with Network Operations Services availed by the Parent Company from OIL, for the periods starting from Mar 2018 onwards, the Parent Company has given an indemnity to reimburse a sum of ₹ 9.40 crore (as at 31st Mar 2025: ₹ 9.40 crore) along with applicable interest, penalty and interest on penalty towards license fees payable on the adjusted gross revenues thereon, in the event the same becomes a crystallized liability in the hands of OIL.

In light of the Hon'ble Supreme Court's judgement in FY 20, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. The Company have filed representations at appropriate authorities denying the alleged liabilities.

During the previous year, TDSAT vide its order dated June 12, 2020 has set aside the impugned demands and directed DoT to issue directives for maintaining level playing field for all operators.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

On November 14, 2019, OIL received demand notices from DOT for the financial years 2015-16 to 24-25 totaling to ₹ 54.50 Crores . Had the same basis been extended till 31st March 2026 the unacknowledged liability of license fees on AGR would have been ₹ 68.96 Crores (excluding interest, penalty, and interest on penalty).

During the earlier years, in a similar matter, TDSAT vide its order dated October 18, 2019 has set aside the impugned demands and directed DOT to issue directives for maintaining level playing field for all operators. Further, in matters of certain telecom companies relating to 'AGR', the Hon'ble Supreme Court vide its order dated October 24, 2019 upheld DOT's appeal thereby determining what constitutes AGR for the purposes of license fee calculation.

On December 5, 2019, in light of the Hon'ble Supreme Court's judgement, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. IMCL and OIL have filed representations at appropriate authorities denying the alleged liabilities.

Relying on an independent legal expert's opinion, the Group continues to believe that the demands will not be upheld and therefore has disclosed these as Contingent Liabilities.

The Company had received a demand of ₹ 90.18 crores for F.Y.2014-15 in the earlier years, which got revised to ₹ 160.14 crores. During the current year, DoT withdrew the revised demand stating that the revised notice shall be shared again by the department.

**9. Custom Duty on Activation Fees paid to Nagra Vision SA**

The Holding Company had received Show cause notice from the Directorate of Revenue Intelligence (DRI), Mumbai for evasion of Custom Duty on payment of activation fees to Nagra Vision SA and inadvertent claim of Exemption for payment of Special Additional Duty pursuant to Notification No. 21/2012 dated 17 March 2012. The Additional Director General DRI (Adjudication) vide its order dated 28 February 2018 rejected the submissions made by the Holding Company and passed the order confirming a demand of ₹ 9.29 crores (including penalty and redemption fine). The Holding Company has filed an Appeal before the CESTAT, Mumbai in June 2018. Based on the contention that the amount paid to Nagra Vision SA is towards activation fees and not licence fees, the Company expects that the outcome of the matter will be favourable to the Holding Company on the basis of the Appeal and hence has included the demand as above under contingent liabilities. In addition to above order, during the Previous Year, the Holding Company had received a new Show Cause Notice on similar issue for Cable and HITS Division. The reply has already been filed by the Holding Company and the matter got heard before the Adjudicating Authority in the Current Year. The Holding Company has received a letter dated 26th March, 2021, intimating that the adjudication proceeding to be kept pending under the relevant provisions of the Customs Act, 1962. The decision to keep the proceedings on hold is on account of the Hon'ble Supreme Court Judgment dated 09/03/2021 in the case of M/s. Canon India Private Limited V/s. Commissioner of Customs. During the current year, the Hon'ble CESTAT (Delhi) bench has granted partial relief to the Company by dropping the total demand amount by ₹ 0.20 crores

**10. Provident Fund**

In February 2019, the Hon'ble Supreme Court of India vide its judgment and subsequent review petition of August 2019 has ruled in respect of compensation for the purpose of Provident Fund contribution under the Employee's Provident Fund Act. Based on the Group's assessment of the possible outcomes of the judgment on determination of provident fund contributions, it is not probable that certain allowances paid by the Group will be subject to payment of provident fund. During the year, the Government notified the New Labour Codes; however the supporting rules are yet to be notified. The Group shall determine the liability towards provident fund on certain allowances it paid, if any, upon notification of the rules of the New Labour Code.

**11.** The Group has given an undertaking to three banks (i.e. Yes Bank Ltd., Axis Bank Ltd. and RBL Bank Ltd.) to retain shareholding to the extent of 51% in the subsidiary viz. IndusInd Media & Communications Limited (IMCL) until all the amounts outstanding under various Facility Agreements entered into by IMCL with the said banks are repaid in full by IMCL. As at the balance sheet date there are no outstanding amounts payable to RBL Bank Limited.

**12.** The Hinduja Global Solutions UK Limited ('HGS UK'), a step-down wholly owned subsidiary of Hinduja Global Solutions Limited ('the Company'), has become a Guarantor and Subordinated Creditor in relation to the issuance of a Bank Guarantee for release of US$ 45 million by Betaine B.V to HGS International, Mauritius, consequent to sale of healthcare business in January 2022. The Guarantee will be valid till October 31, 2026.

**13.** The Group has proceedings pending with the Income tax, Service tax authorities, Customs tax authorities, Sales tax authorities and Local body tax authorities. The Group has reviewed all its pending proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable and quantifiable, in these consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on these consolidated financial statements.

**b) Capital and other commitments:**

(i) Estimated Amount of Contracts (net of capital advances) remaining to be executed on Capital Account ₹ 16.96 crore (As at March 31, 2025: ₹ 16.39 crore).

(ii) The Group has given letter of comfort to banks for credit facilities availed by its subsidiary IndusInd Media & Communications Limited (IMCL).

## 38 Earnings per share (EPS)

Basic and Diluted earning per share amount are calculated by dividing the profit for the year from continuing and discontinuing operations respectively by the weighted average number of equity shares outstanding during the year. For the total operations, Basic and Diluted earning per share amount are calculated by dividing the total profit for the year from total operations by the weighted average number of equity shares outstanding during the year.

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **Numerator for Basic and Diluted EPS** | | |
| Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Crore) (both continuing and discontinued operations) | 32.19 | 121.42 |
| Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Crore) (continuing operations) | (115.83) | (97.12) |
| Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Crore) (discontinued operations) | 148.02 | 218.54 |
| Weighted average number of equity shares (Nos.) for calculating basic earnings per share | 4,65,20,285 | 4,65,20,285 |
| Weighted average number of equity shares (Nos.) for calculating Diluted earnings per share | 4,65,20,285 | 4,65,20,285 |
| Basic EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations) | 6.92 | 26.10 |
| Diluted EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations) | 6.92 | 26.10 |
| Basic EPS attributable to the equity holders of the Company (₹) (continuing operations) | (24.90) | (20.88) |
| Diluted EPS attributable to the equity holders of the Company (₹) (continuing operations) | (24.90) | (20.88) |
| Basic EPS attributable to the equity holders of the Company (₹) (discontinued operations) | 31.82 | 46.98 |
| Diluted EPS attributable to the equity holders of the Company (₹) (discontinued operations) | 31.82 | 46.98 |
| Nominal value of shares (₹) | 10.00 | 10.00 |

| | | |
|---|---|---|
| Number of shares considered for basic EPS (Refer note 17 (v)) | 4,65,20,285 | 4,65,20,285 |
| Add: Effect of dilutive issues of stock options | - | - |
| Number of shares considered for diluted EPS | 4,65,20,285 | 4,65,20,285 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 39 Assets pledged as security (Refer Note 18 & 58)

The Group had pledged certain assets as security for its current and non current borrowings. The carrying amounts of such assets pledged as security are:

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **Current** | | |
| Financial assets | - | 207.17 |
| Current assets | 1,849.75 | 1,683.01 |
| **Total current assets pledged as security** | **1,849.75** | **1,890.18** |
| **Non-current** | | |
| Land | 11.89 | 10.82 |
| Building | 69.55 | 68.13 |
| Non-current assets | 177.98 | 159.53 |
| **Total non-current assets pledged as security** | **259.42** | **238.48** |
| **Total assets pledged as security** | **2,109.17** | **2,128.66** |

## 40 Impairment

**Goodwill movement:**

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **Opening Balance** | **995.43** | **959.55** |
| Add: Acquisition of Seven Star Balaji Broadband Private Limited (Refer Note 51 (a)) | - | 19.19 |
| Add: Translation adjustments | 97.04 | 16.69 |
| **Closing Balance** | **1,092.47** | **995.43** |

Goodwill is tested for impairment at each reporting date. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's Cash Generating Unit ("CGU") or groups of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of CGU is higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

The carrying value of goodwill translated at year end exchange rates, is allocated to the following CGU's

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Business process management - Healthcare and CES operations, USA | 18.60 | 16.93 |
| Business process management - UK operations | 129.03 | 115.51 |
| Business process management - India Human resource operations | 24.93 | 24.93 |
| Business process management - Element Solutions LLC, USA | 26.26 | 23.91 |
| Business process management -Diversify Offshore Staffing Solutions Pty Ltd., Australia ('Diversify') | 165.93 | 137.72 |
| Digital, Media & Communications Business | 132.32 | 132.32 |
| Business process management -Teklink International Inc., USA | 576.21 | 524.92 |
| Digital, Media & Communications Business - Seven Star Balaji Broadband Pvt. Ltd. | 19.19 | 19.19 |
| **Total** | **1,092.47** | **995.43** |

The recoverable amount has been determined based on value-in-use calculations. Value-in-use is calculated using post tax cash flows. The use of post tax discount rates does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using pre-tax discount rates.

The future cash flows are based on the medium and long-term business plans approved by the Management and reviewed by the board of directors.

(All amounts are in ₹ Crore)

The average range of key assumptions used for the calculations are as follows:

(in %)

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Growth rate | 10% - 28.5% | 5% - 42% |
| Post-tax discount rate | 11.00% to 18.00% | 11.09% to 18% |
| Terminal growth rate | 1% to 7% | 1% to 6% |

The recoverable amount have exceeded the carrying value of CGU and no impairment was recognised in the current year.

No reasonable change in the assumptions (revenue growth, operating margin, discount rate and long-term growth rate) could lead to a potential impairment charge.

Reasonable sensitivities in the key assumptions consequent to the change in estimated future economic conditions is unlikely to cause the carrying amount of any of the cash generating units to exceed the recoverable amount.

## 41 Tax Expense

| | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Continuing Operations | Discontinued Operations | Total | Continuing Operations | Discontinued Operations | Total |
| **a) Tax Expense** | | | | | | |
| **Current tax** | | | | | | |
| Current tax on profits for the year | 53.28 | - | 53.28 | 59.24 | - | 59.24 |
| Adjustments for current tax relating to prior years | (10.91) | - | (10.91) | 0.18 | - | 0.18 |
| **Total Current tax expense** | **42.37** | **-** | **42.37** | **59.42** | **-** | **59.42** |
| **Deferred Tax** | | | | | | |
| Decrease/ (Increase) in Deferred tax assets | 28.40 | - | 28.40 | 118.24 | - | 118.24 |
| Adjustments for Deferred tax relating to prior years | | - | - | - | - | - |
| **Total Deferred Tax expense** | **28.40** | **-** | **28.40** | **118.24** | **-** | **118.24** |
| **Tax expense** | **70.77** | **-** | **70.77** | **177.66** | **-** | **177.66** |

**b) Reconciliation of tax expense and the accounting profit multiplied by the Indian statutory tax rate**

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Profit before income tax expense | 278.38 | 278.38 |
| **Tax at Indian tax rate of 25.168% (2023-24 - 25.168%)** | **70.06** | **70.06** |
| Tax effects of amounts which are not deductible (taxable) in calculating taxable income | | |
| - Expenses Disallowed | 0.10 | 2.09 |
| Other items | | |
| - Difference in overseas tax rate for foreign operation | 5.07 | (3.34) |
| - Tax credit on profit earned by foreign operation [Refer Note (i) below] | (2.28) | (1.60) |
| - Difference in tax rate for profit on sale of Operations | - | (55.00) |
| - Exempt income # | (80.34) | (39.01) |
| - Deferred tax assets recognized/written off on Prior year losses of certain subsidiaries | 21.13 | 50.48 |
| - Deferred tax assets not recognized on losses for the period of certain subsidiaries (mainly on account of non-recognition of deferred tax on unabsorbed business loss on prudence basis) | 129.59 | 134.47 |
| - Tax (current and deferred tax) of prior years | (11.92) | 0.18 |
| - Other adjustments | (9.64) | 19.33 |
| **Total Income Tax expense** | **70.77** | **177.66** |

# Exempt income includes tax holiday period income and dividend income.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**Notes:**

(i) This amount represents the benefit received by certain entities of Group in respect of taxes payable by the foreign operations.

## 42 Deferred tax liabilities & Deferred tax assets

The deferred tax balance comprises temporary differences attributable to:

| | Deferred tax assets/ (Liabilities) as on April 01, 2025 | Deferred tax on business acquisition | (Charge)/ Credit Through P&L | (Charge)/ Credit Through OCI | Effect of Foreign Currency differences | Deferred tax assets/ (Liabilities) as on March 31, 2026 |
|---|---|---|---|---|---|---|
| **Deferred Tax Liabilities** | | | | | | |
| Property, Plant and Equipment | (3.74) | - | 2.29 | (7.89) | (28.13) | (37.47) |
| Intangible Assets | (50.76) | - | 9.56 | - | (2.06) | (43.25) |
| Operating leases | (59.93) | - | (11.13) | - | (0.62) | (71.69) |
| Accrued Expenses | - | - | (1.40) | - | - | (1.40) |
| Others | 0.00 | - | (19.15) | - | - | (19.15) |
| **Total Deferred Tax Liabilities** | **(114.44)** | **-** | **(19.83)** | **(7.89)** | **(30.81)** | **(172.97)** |
| Less: Set off | (92.33) | - | - | - | - | (120.53) |
| **Net Deferred Tax Liabilities** | **(22.11)** | **-** | **-** | **-** | **-** | **(52.44)** |
| **Deferred Tax Assets** | | | | | | |
| Defined Benefit Obligation and Compensated Absences | 27.37 | - | 0.72 | 0.47 | - | 28.56 |
| Derivatives | 1.22 | - | - | 1.41 | - | 2.63 |
| Leases | - | - | - | - | - | - |
| Carry forward of unused tax losses | 131.79 | - | (15.05) | - | - | 116.74 |
| Deferred tax on monetary assets | - | - | 0.12 | (0.12) | - | - |
| Allowance for doubtful debts | 20.40 | - | (6.74) | - | (0.10) | 13.56 |
| Accrued Expenses | 2.68 | - | 1.59 | - | (4.29) | (0.00) |
| Others | 11.25 | - | 10.77 | - | (20.53) | 1.48 |
| **Total Deferred Tax Assets** | **194.71** | **-** | **(8.59)** | **1.76** | **(24.92)** | **162.98** |
| Less: Set off | (92.33) | - | - | - | - | (120.53) |
| **Net Deferred Tax Assets** | **102.39** | **-** | **-** | **-** | **-** | **42.45** |

**(All amounts are in ₹ Crore)**

| | Deferred tax assets/ (Liabilities) as on April 01, 2024 | Deferred tax on business acquisition (Refer Note 51) | (Charge)/ Credit Through P&L | (Charge)/ Credit Through OCI | Effect of Foreign Currency differences | Deferred tax assets/ (Liabilities) as on March 31, 2025 |
|---|---|---|---|---|---|---|
| **Deferred Tax Liabilities** | | | | | | |
| Property, Plant and Equipment | (1.33) | (4.33) | 0.31 | - | 1.60 | (3.74) |
| Intangible Assets | (59.18) | - | 9.67 | - | (1.26) | (50.76) |
| Derivatives | - | - | - | - | - | - |
| Operating leases | - | - | 59.93 | - | - | (59.93) |
| Others | (5.81) | - | 5.57 | - | 0.25 | 0.00 |
| **Total Deferred Tax Liabilities** | **(66.32)** | **(4.33)** | **(44.38)** | **-** | **0.59** | **(114.44)** |
| Less: Set off | 2.53 | - | - | - | - | (92.33) |
| **Net Deferred Tax Liabilities** | **(68.85)** | **-** | **-** | **-** | **-** | **(22.11)** |
| **Deferred Tax Assets** | | | | | | |
| Property, Plant and Equipment | 33.36 | - | (33.95) | - | 0.59 | 0.00 |
| Intangible Assets | 12.94 | | (11.98) | - | (0.96) | (0.00) |
| Defined Benefit Obligation and Compensated Absences | 10.28 | - | 16.08 | 1.01 | - | 27.37 |
| Derivatives | 0.81 | - | - | 0.41 | - | 1.22 |
| Leases | (34.10) | - | 34.09 | - | 0.01 | (0.00) |
| Deferred performance Incentive | 0.00 | - | - | - | - | 0.00 |
| Carry forward of unused tax losses | 173.78 | - | (56.66) | - | 14.67 | 131.79 |
| Deferred tax on monetary assets | - | - | (2.44) | 2.44 | - | - |
| Allowance for doubtful debts | 15.46 | - | 4.45 | - | 0.49 | 20.40 |
| Accrued Expenses | 7.95 | - | (1.20) | - | (4.06) | 2.68 |
| Others | 35.08 | - | (22.25) | - | (1.58) | 11.25 |
| **Total Deferred Tax Assets** | **255.55** | **-** | **(73.86)** | **3.86** | **9.15** | **194.69** |
| Less: Set off | 2.53 | - | | | | (92.33) |
| **Net Deferred Tax Assets** | **258.08** | **-** | **-** | **-** | **-** | **102.39** |

**Notes:**

(i) In assessing the reliability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on this, the Company believes that it is probable that the Company will realize the benefits of the recognized deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

The group has unused tax losses of ₹ 1,395.81 crore and ₹ 1,279.57 crore as at March 31, 2026 and March 31, 2025 respectively, available for offset against future taxable profits. No deferred tax asset has been recognised in respect of the tax losses of ₹ 924.45 crore and ₹ 707.38 crore for the period ended March 31, 2026 and March 31, 2025 respectively, due to lack of probable future taxable profits.

The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits or taxable temporary differences will be available in the future. The Management's projections of future taxable income and tax planning strategies support the assumption that it is probable that sufficient taxable income will be available to utilize the deferred tax assets recognised.

The Group has recognized/(written off) of deferred tax assets of ₹ (56.66) crore and ₹ (56.66) crore in respect of unused tax losses of its various subsidiaries for the year March 31, 2026 and 2025 respectively.

In cases where the actual future taxable profits generated are less than expected a material reversal of the deferred tax asset may arise, which would be recognised as profit or loss for the period in which such a reversal takes place.

(ii) Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Accordingly, deferred income tax liabilities on cumulative earnings of subsidiaries amounting to ₹ 6,397.37 crore and ₹ 6,397.37 crore as of March 31, 2026 and March 31, 2025 respectively, have not been recognized. Further, it is not practicable to estimate the amount of the unrecognized deferred tax liabilities for these undistributed earnings.

## 43 Employee Benefit obligations

### (i) Compensated Absences

The leave obligations cover the Group's liability for sick and earned leave of employees.

The amount of the provision of ₹ 44.69 crore (As at March 31, 2025: ₹ 39.77 crore), out of which, ₹ 28.33 crore has been disclosed as current and ₹ 16.36 crore is disclosed as non-current (As at March 31, 2025, Non current provision is ₹ 15.81 crore and current provision is ₹ 23.97 crore). Based on past experience, the Group does not expect all employees to take the full amount of accrued leaves to make payments in lieu of accrued leaves within the next 12 months.

### (ii) Deferred compensation Payable

The Board of Directors at their meeting held on March 28, 2019 approved an employee defined benefit plan called as “Deferred Payment Incentive Plan" (DPI 2019). The Scheme is applicable to eligible employees of the Group including eligible employees transferred pursuant to the sale of healthcare business in the manner specifically provided for in the Scheme.

### (iii) Post-employment obligations

#### a) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to Life Insurance Corporation of India (LIC) as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority Regulations. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(All amounts are in ₹ Crore)

**b) Pension benefits**

The Group has a non-contributory and actuarially computed defined benefit pension plan covering substantially all of its employees. The benefits are based on years of service and compensation at the date of retirement, as defined in the policies of the Group.

The plan provides lump sum benefits upon retirement, death, total and permanent disability and separation from service from completion of at least five years of service. Under the provisions of the retirement plan, the normal retirement age is 60 with at least 5 years of credited service, but early retirement is possible for employees reaching age 50 with at least 10 years of credited service. Normal retirement is entitled to 1.5 months basic salary per year of service while early retirement with 10 to 15 years' service is entitled to 1 month basic salary per year of service or 1.5 months per year of service if tenure is beyond 15 years. Employees below 50 years old with at least 10 years of service are entitled to the retirement benefit in case of voluntary separation. Ten to 15 years of service is eligible for 50% of monthly basic pay per year of service, 75% for 15 to 20 years, and 100% of monthly basic pay for 20 years tenure or more.

Plan assets are held in trust by a trustee bank, which is governed by local regulations and practice in the Philippines.

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The largest proportion of assets is invested in debt securities. The Branch believes that debt securities offer the best returns over long term with an acceptable level of risk.

**(iv) Defined contribution plans**

The Group has classified various benefits provided to employees as under:

a) Provident Fund

b) Superannuation Fund

c) State Defined Contribution Plans:

   i. Employers' Contribution to Employee's State Insurance

d) Other Statutory contribution schemes

**Amounts recognized in the Statement of Profit and Loss pertaining to the contribution to the above contribution plans are as follows:**

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Employers' Contribution to Provident Fund | 31.25 | 39.47 |
| Employers' Contribution to Employee's State Insurance | 2.06 | 2.04 |
| Employer's Contribution to Other Employees Contribution Scheme | 115.50 | 82.39 |
| **Total** | **148.81** | **123.90** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**(v) Defined Benefit Plan**

**Balance sheet amounts - Pension plan**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation are as follows:

| | Funded | Unfunded | Present value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2024** | **34.53** | **2.12** | **36.65** | **(2.58)** | **34.07** |
| Current service cost | 3.43 | 0.55 | 3.98 | - | 3.98 |
| Net Interest cost | 2.17 | 0.11 | 2.27 | (0.09) | 2.19 |
| **Total amount recognised in statement of profit and loss** | **5.60** | **0.66** | **6.26** | **(0.09)** | **6.17** |
| Remeasurements | - | - | - | - | - |
| - Return on plan assets, excluding amounts included in interest expense/ (income) | - | - | - | 0.14 | 0.14 |
| - Actuarial (gain)/loss from change in demographic assumptions | - | (0.67) | (0.67) | - | (0.67) |
| - Actuarial (gain)/loss from change in financial assumptions | 5.04 | 1.14 | 6.18 | - | 6.18 |
| - Actuarial (gain)/loss arising from experience adjustments | (0.97) | 0.07 | (0.90) | - | (0.90) |
| **Total amount recognised in other comprehensive income** | **4.07** | **0.54** | **4.61** | **0.14** | **4.74** |
| Exchange differences (Recognised in Foreign Currency translation reserve) | - | - | - | - | - |
| Contributions: | 0.42 | (0.42) | - | 0.15 | 0.15 |
| - Employers | - | - | - | (8.89) | (8.89) |
| - Plan participants | - | - | - | - | - |
| Payments from plan: | | | | | |
| Benefit payments | (1.76) | - | (1.76) | 1.76 | - |
| Liability Transferred Out | - | - | - | - | - |
| **Settlements** | **-** | **-** | **-** | **-** | **-** |
| **March 31, 2025** | **42.86** | **2.90** | **45.76** | **(9.51)** | **36.24** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | Funded | Unfunded | Present value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2025** | **42.86** | **2.90** | **45.76** | **(9.51)** | **36.24** |
| Current service cost | 4.21 | 0.76 | 4.97 | - | 4.97 |
| Net Interest cost | 2.77 | 0.19 | 2.96 | (0.62) | 2.34 |
| **Total amount recognised in statement of profit and loss** | **6.98** | **0.95** | **7.93** | **(0.62)** | **7.31** |
| Remeasurements | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | 0.50 | 0.50 |
| - Actuarial (gain)/loss from change in demographic assumptions | (2.28) | - | (2.28) | - | (2.28) |
| - Actuarial (gain)/loss from change in financial assumptions | 0.70 | 0.21 | 0.91 | - | 0.91 |
| - Actuarial (gain)/loss arising from experience adjustments | (1.29) | (0.41) | (1.70) | - | (1.70) |
| **Total amount recognised in other comprehensive income** | **(2.87)** | **(0.20)** | **(3.07)** | **0.50** | **(2.56)** |
| Exchange differences (Recognised in Foreign Currency translation reserve) | 1.34 | 0.12 | 1.46 | (0.36) | 1.10 |
| Contributions: | | | | | |
| - Employers | - | - | - | (10.05) | (10.05) |
| - Plan participants | - | - | - | - | - |
| Payments from plan: | | | | | |
| Benefit payments | (9.83) | - | (9.83) | 9.83 | - |
| Liability Transferred Out | - | - | - | - | - |
| Settlements | - | - | - | - | - |
| **March 31, 2026** | **38.46** | **3.77** | **42.25** | **(10.20)** | **32.05** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**Balance sheet amounts - Gratuity**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation are as follows:

**BPM Segment**

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2024** | **20.59** | **1.87** | **22.46** | **(8.42)** | **14.04** |
| Current Service Cost | 2.48 | 0.14 | 2.62 | - | 2.62 |
| Interest expense/ (income) | 1.46 | 0.13 | 1.60 | (0.60) | 1.00 |
| **Total Amount recognised in statement of profit and loss** | **3.95** | **0.27** | **4.22** | **(0.60)** | **3.62** |
| Remeasurements: | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | 0.07 | 0.07 |
| - Actuarial (gain)/loss from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss from change in financial assumptions | 0.43 | 0.01 | 0.44 | - | 0.44 |
| - Actuarial (gain)/loss arising from experience adjustments | 2.91 | 0.59 | 3.50 | - | 3.50 |
| **Total amount recognised in other comprehensive income** | **3.34** | **0.60** | **3.94** | **0.07** | **4.01** |
| Employer contributions | - | - | - | (0.05) | (0.05) |
| Liability Transferred In | - | - | - | - | - |
| Other adjustment | - | - | - | - | - |
| Benefit payments | (1.90) | (0.38) | (2.28) | 1.90 | (0.38) |
| **March 31, 2025** | **25.97** | **2.37** | **28.34** | **(7.10)** | **21.24** |

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2025** | **25.97** | **2.37** | **28.34** | **(7.10)** | **21.24** |
| Current Service Cost | 3.36 | 0.23 | 3.59 | - | 3.59 |
| Interest expense/(income) | 1.82 | 0.18 | 1.99 | (0.37) | 1.62 |
| Past Service Cost | 7.19 | 0.63 | 7.81 | - | 7.81 |
| **Total Amount recognised in statement of profit and loss** | **12.37** | **1.03** | **13.39** | **(0.37)** | **13.02** |
| Remeasurements: | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | 0.06 | 0.06 |
| - Actuarial (gain)/loss from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss from change in financial assumptions | 0.70 | 0.02 | 0.71 | - | 0.71 |
| - Actuarial (gain)/loss arising from experience adjustments | 2.22 | 1.24 | 3.46 | - | 3.46 |
| **Total amount recognised in other comprehensive income** | **2.92** | **1.26** | **4.17** | **0.06** | **4.23** |
| Employer contributions | - | - | - | (0.01) | (0.01) |
| Liability Transferred In | - | - | - | - | - |
| Other adjustment | - | - | - | - | - |
| Benefit payments | (5.34) | (1.08) | (6.43) | 5.34 | (1.08) |
| **March 31, 2026** | **35.91** | **3.58** | **39.48** | **(2.09)** | **37.40** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**Media Segment**

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2024** | **9.60** | **1.01** | **10.62** | **(13.39)** | **(2.77)** |
| Current Service Cost | 0.93 | 0.10 | 1.03 | - | 1.03 |
| Interest expense/(income) | 0.63 | 0.07 | 0.70 | (0.73) | (0.03) |
| **Total Amount recognised in statement of profit and loss** | **1.56** | **0.17** | **1.73** | **(0.73)** | **1.00** |
| Remeasurements: | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | (0.02) | (0.02) |
| - Actuarial (gain)/loss from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss from change in financial assumptions | 0.30 | (0.01) | 0.29 | - | 0.29 |
| - Actuarial (gain)/loss arising from experience adjustments | 1.08 | - | 1.08 | - | 1.08 |
| **Total amount recognised in other comprehensive income** | **1.38** | **(0.01)** | **1.37** | **(0.02)** | **1.35** |
| Transfers | | | | | |
| Contributions: | | | | | |
| Employer contributions | - | - | - | 0.67 | 0.67 |
| Liability Transferred In/ (Out) | 0.00 | - | 0.00 | 0.88 | 0.88 |
| Other adjustment | - | - | - | - | - |
| Benefit payments | (1.63) | - | (1.63) | 1.63 | - |
| **March 31, 2025** | **10.92** | **1.18** | **12.10** | **(10.96)** | **1.14** |

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2025** | **10.92** | **1.18** | **12.10** | **(10.96)** | **1.14** |
| Current Service Cost | 0.82 | 0.10 | 0.93 | - | 0.93 |
| Past Service Cost | 1.23 | 0.24 | 1.47 | - | 1.47 |
| (Gain)/Loss on curtailment | - | (0.19) | (0.19) | - | (0.19) |
| Interest expense/(income) | 0.73 | 0.08 | 0.80 | (0.71) | 0.09 |
| **Total Amount recognised in statement of profit and loss** | **2.77** | **0.24** | **3.01** | **(0.71)** | **2.30** |
| Remeasurements: | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | (0.06) | (0.06) |
| - Actuarial (gain)/loss from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss from change in financial assumptions | (0.42) | (0.18) | (0.60) | - | (0.60) |
| - Actuarial (gain)/loss arising from experience adjustments | 0.63 | - | 0.63 | - | 0.63 |
| **Total amount recognised in other comprehensive income** | **0.21** | **(0.18)** | **0.03** | **(0.06)** | **(0.03)** |
| Transfers | | | | | |
| Contributions: | | | | | |
| Employer contributions | - | - | - | (1.17) | (1.17) |
| Liability Transferred In/ (Out) | - | - | - | - | - |
| Other adjustment | (0.63) | 0.01 | (0.62) | 0.62 | - |
| Benefit payments | (1.96) | (0.01) | (1.97) | 1.96 | (0.01) |
| **March 31, 2026** | **11.31** | **1.24** | **12.55** | **(10.32)** | **2.23** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

The following table shows the breakdown of the defined benefit obligation and plan assets:

| | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | **Gratuity** | **Pension** | **Total** | **Gratuity** | **Pension** | **Total** |
| Present Value of Obligation | 52.03 | 42.25 | 94.28 | 40.44 | 45.76 | 86.20 |
| Fair value of plan assets | (12.41) | (10.20) | (22.61) | (18.06) | (9.51) | (27.57) |
| **Total Liability** | **39.62** | **32.05** | **71.67** | **22.38** | **36.25** | **58.63** |

**(vi) Actuarial assumptions pension and gratuity**

The significant actuarial assumptions were as follows:

| | Year ended March 31, 2026 | | Year ended March 31, 2025 | |
|---|---|---|---|---|
| | **Pension** | **Gratuity** | **Pension** | **Gratuity** |
| Discount Rate | 6.97%-7.01% | 5.72% - 7.35% | 6.27%-6.32% | 6.54% - 7.22% |
| Salary growth rate | 5% - 6% | 5% - 8% | 5% - 8% | 5% - 8% |
| Rate of return on Plan assets | 6.97% | 5.72% - 7.35% | 6.27%-6.32% | 6.54% - 7.22% |
| Mortality rate | 1994GAMT | Indian Assured Lives Mortality 2012-14 (Urban) | 1994GAMT | Indian Assured Lives Mortality 2012-14 (Urban) |
| Rate of Employee turnover | 6% to 52% p.a. | Agent - 40% p.a. Core - 25% p.a. Others - 20% p.a. to 70% p.a and For service 4 years and below 12.00% p.a. For service 5 years and above 2.00% p.a. | 8% to 41% p.a. | Agent - 40% p.a. Core - 25% p.a. Others - 20% p.a. |

Assumptions regarding mortality experience are set based on advice from published statistics.

The discount rate is primarily based on the prevailing market yields of government securities for the estimated term of the obligations. The estimates of future salary increases takes into account the inflation, seniority and other relevant factors. Attrition rate considered is the Management estimate based on past experience of employee turnover. The expected return on plan assets is based on expectation of the average rate of return expected on investment of the fund.

**(vii) Sensitivity Analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

**Impact on defined benefit obligation**

| | Change in assumption | | Increase in assumption | | Decrease in assumption | |
|---|---|---|---|---|---|---|
| | **March 31, 2026** | **March 31, 2025** | **March 31, 2026** | **March 31, 2025** | **March 31, 2026** | **March 31, 2025** |
| Discount Rate | 1% | 1% | (5.04) | (5.07) | 5.33 | 5.37 |
| Salary Growth rate | 1% | 1% | 5.20 | 5.35 | (5.06) | (5.21) |

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**(viii) The major categories of plan assets are as follows**

| | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Level -1 | Level-3 | Total | Level -1 | Level-3 | Total |
| **Pension** | | | | | | |
| Debt Instruments | | | | | | |
| - Government Bonds | 0.47 | - | 0.47 | 0.76 | - | 0.76 |
| - Corporate Bonds | 9.71 | - | 9.71 | 4.66 | - | 4.66 |
| Cash and cash equivalents | 0.00 | - | 0.00 | 3.28 | - | 3.28 |
| Others | 0.02 | - | 0.02 | 0.81 | - | 0.81 |
| **Gratuity** | | | | | | |
| Investment funds (Gratuity) | | | | | | |
| - Insurance Funds (LIC Pension and Group Schemes fund) | - | 12.41 | 12.41 | - | 18.06 | 18.06 |
| **Total** | **10.20** | **12.41** | **22.61** | **9.51** | **18.06** | **27.57** |

**(ix) Risk Exposure**

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

| | |
|---|---|
| Asset volatility | The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. |
| Changes in bond yields | A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings. |
| Life expectancy | The pension is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy. |

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets in Financial Year 2025-26 (Previous Year 2024-25) consists of government & Corporate bonds and LIC Pension, the plan asset mix is in compliance with the requirements of the respective local regulations.

**(x) Defined benefit liability and employer contributions**

Expected contributions to post-employment benefit plans for the year ending March 31, 2026 ₹ is 16.50 Crore (Gratuity ₹ 12.60 Crore; Pension ₹ 3.9 Crore).

The weighted average duration of Gratuity plan obligation is 4-10 years. The average duration of Pension plan obligation is 20 years. The expected maturity analysis of undiscounted pension and gratuity is as follows:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| **March 31, 2026** | | | | | |
| Pension plan benefit obligation | 3.90 | 8.12 | 19.28 | 269.34 | **300.63** |
| Gratuity plan benefit obligation | 12.60 | 7.63 | 17.13 | 13.43 | **50.79** |
| **Total** | **16.49** | **15.74** | **36.41** | **282.77** | **351.42** |

| | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| **March 31, 2025** | | | | | |
| Pension plan benefit obligation | 10.36 | 5.66 | 13.04 | 249.32 | **278.38** |
| Gratuity plan benefit obligation | 8.96 | 5.21 | 13.33 | 20.79 | **48.29** |
| **Total** | **19.32** | **10.88** | **26.37** | **270.11** | **326.67** |

The Group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Group intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

## 44 Capital management

### A) Capital Structure

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholder's and benefits for other stakeholder's, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)/ Total 'equity' as shown in the balance sheet, including non-controlling interests)

The gearing ratios were as follows:

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Total borrowings (Refer Note 18a & 18b) | 1,294.02 | 1,186.90 |
| Cash and cash equivalents (Refer Note 13a) | (568.94) | (751.69) |
| **Net Debt** | **725.08** | **435.21** |
| Total Equity | 8,316.50 | 7,708.12 |
| **Net Debt to Equity ratio*** | **8.72%** | **5.65%** |

* Lease liabilities are not included for computing the gearing ratio.

**Loan covenants**

The Group has complied with financial covenants implied as a part of external borrowing facilities throughout the reporting year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**B) Dividends**

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **(i) Equity shares** | | |
| Final dividend (including special dividend) for the year ended March 31, 2025 of Nil (March 31, 2024 - ₹ 7) per fully paid equity share | - | 32.53 |
| **(ii) Dividends not recognised at the end of the reporting period** | | |
| In addition to the above dividends, since year end the directors have recommended payment of a final dividend of Rs. Nil (March 31, 2025 - Nil) per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | - | - |

Note: The Parent Company has complied with u/s 123 of the Companies Act 2013.

## 45 Related Party Transactions and Balances

**I Individuals having control / joint control on the Company**

**a. Board of Directors**

1. Mr. Ashok P. Hinduja - Non Independent Director - Chairperson/ Promoter
2. Ms. Bhumika Batra - Independent Director
3. Dr. Ganesh Natarajan - Independent Director
4. Mr. Pradeep Udhas - Independent Director
5. Mr. Munesh Khanna - Independent Director
6. Mr. Amit Saharia - Non Independent Director (From September 25, 2025)
7. Mr. Vynsley Fernandes - Wholetime Director
8. Mr. Anil Harish - Independent Director (Upto September 28, 2025)
9. Mr. Sudhanshu Kumar Tripathi - Non Independent Director (Upto September 30, 2025)
10. Mr. Paul Abraham - Non Independent Director (Upto September 25, 2025)

**b. Relatives of Individuals Identified in (a) above**

1. Mrs. Harsha Ashok Hinduja
2. Mrs. Ambika Ashok Hinduja
3. Mr. Shom Ashok Hinduja

**c. Key Management Personnel**

1. Mr. Venkatesh Korla - Chief Executive Officer (From May 28, 2025)
2. Mr. Vynsley Fernandes - Whole-time Director
3. Mr. Partha DeSarkar - Whole-time Director & Chief Executive Officer (Upto September 03, 2025)

**II Enterprises where common control exists**

1. Hinduja Group Limited
2. NDL Ventures Limited (Formerly known as NXTDIGITAL Limited Limited)
3. Hinduja Realty Ventures Limited (Hinduja Estate Private Limited Merged with Hinduja Healthcare Limited and Hinduja Healthcare Limited Merged with Hinduja Realty Ventures Limited)
4. Aasia Corporation LLP (Upto February 15, 2026)
5. Tabula Rasha Music LLP
6. Impeccable Imagination LLP
7. Hinduja Properties Limited

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

8. Aasia Exports (Upto March 10, 2026)
9. Aasia Import & Export Private Limited (Upto January 30, 2026)
10. Siddharth Textiles Private Limited
11. The British Metal Corporation (India) Private Limited
12. Aasia Advisory Services Limited
13. HFL Enterprises Private Limited (formerly known as HFL Enterprises Limited & Hinduja Finance Limited) (Upto January 07, 2026)
14. Cyqure India Private Limited

**III Enterprises where Significant Influence is exercised by Directors**

1. Barmag India Private Limited (Formerly known as Oerlikon Textile India Private Limited)

**IV Close Member of key management personnel including directors whether executive or otherwise**

1. Castle Media Private Limited (Mr. Vynsley Fernandes's relative is a Director)
2. Spyke Technologies Private Limited (Mr. Vynsley Fernandes's relative is a Director)
3. Hinduja Renewables Energy Pvt.Ltd (Mr. Ashok Hinduja's Relative are Members/ Directors)
4. HR Sabarmati Private Limited (Mr. Ashok Hinduja's Relative are Members/ Directors)

The following details pertain to transactions carried out with the related parties in the ordinary course of business at an arm's length and the balances outstanding at the year-end:

| | Parties referred to in I and IV above | | Parties referred to in II and III above | |
|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Rendering of Services** | | | | |
| Others | - | - | 1.22 | 0.18 |
| **Internet Subscription Income** | | | | |
| NDL Ventures Limited | - | - | - | 0.02 |
| **Service charges recovered** | | | | |
| Hinduja Group Limited | - | - | 0.35 | 0.02 |
| HFL Enterprises Limited | - | - | - | 0.01 |
| Mr. Vynsley Fernandes | 0.01 | - | - | - |
| **Total** | **0.01** | **-** | **1.57** | **0.23** |
| **Interest income** | | | | |
| Hinduja Group Limited | - | - | 3.06 | 6.16 |
| Hinduja Realty Ventures Limited | - | - | 22.56 | 24.16 |
| HFL Enterprises Limited | - | - | 2.30 | 0.63 |
| Cyqure India Private Limited | - | - | - | 6.77 |
| **Total** | **-** | **-** | **27.92** | **37.72** |
| **Lease income** | | | | |
| Hinduja Realty Ventures Limited | - | - | - | 0.09 |
| NDL Ventures Limited | - | - | 0.04 | 0.03 |
| **Total** | **-** | **-** | **0.04** | **0.12** |
| **Lease payments** | | | | |
| Hinduja Realty Ventures Limited | - | - | 1.46 | 2.66 |
| **Total** | **-** | **-** | **1.46** | **2.66** |
| **Interest Expense** | | | | |
| Hinduja Realty Ventures Limited | - | - | 6.86 | 1.09 |
| Hinduja Group Limited | - | - | 0.00 | 1.70 |
| **Total** | **-** | **-** | **6.86** | **5.35** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | Parties referred to in I and IV above | | Parties referred to in II and III above | |
|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Legal & Professional charges** | | | | |
| Hinduja Group Limited | - | - | 8.04 | 13.04 |
| Castle Media Private Limited | 8.38 | 7.62 | - | - |
| Spyke Technologies Private Limited | 4.68 | 6.01 | - | - |
| NDL Ventures Limited | - | - | 0.82 | 0.72 |
| **Total** | **13.06** | **13.63** | **8.86** | **13.76** |
| **Purchase of Fixed Assets** | | | | |
| Spyke Technologies Private Limited | 0.23 | 0.23 | - | - |
| **Total** | **0.23** | **0.23** | **-** | **-** |
| **Purchase of stock in trade** | | | | |
| Spyke Technologies Private Limited | 0.15 | - | - | - |
| **Total** | **0.15** | **-** | **-** | **-** |
| Hinduja Realty Ventures Limited | - | - | 0.09 | 0.19 |
| Spyke Technologies Private Limited | - | 0.23 | - | - |
| **Total** | **-** | **0.23** | **0.09** | **0.19** |
| **Commission to Directors & sitting fees** | | | | |
| Sitting fees paid to Director's | 0.71 | 0.90 | - | - |
| **Total** | **0.71** | **0.90** | **-** | **-** |
| **Executive Remuneration*@** | | | | |
| Mr. Partha DeSarkar# | 4.64 | 16.25 | - | - |
| Mr. Venkatesh Korla | 8.92 | - | - | - |
| Mr. Vynsley Fernandes# | 2.37 | 3.09 | - | - |
| **Total** | **15.93** | **19.34** | **-** | **-** |

**Note:**

*The above Executive remuneration excludes Gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

@The Executive remuneration also excludes Employers Contribution towards Provident Fund, Gratuity Fund, Superannuation Fund and Medical Insurance. The Gratuity and Compensated absences are excluded which cannot be separately identified from the composite amount advised by the actuary.

#The remuneration accrued / paid by the Company along with stepdown subsidiary to its whole-time directors during the year in accordance with the approval of the Shareholders sought on September 24, 2024 and December 29, 2025.

| | Parties referred to in I and IV above | | Parties referred to in II and III above | |
|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Loans Given** | | | | |
| Hinduja Group Limited | - | - | 112.23 | 204.00 |
| Hinduja Realty Ventures Limited | - | - | 740.56 | 554.09 |
| HFL Enterprises Limited | - | - | 8.16 | 60.18 |
| Cyqure India Private Limited | - | - | - | 109.21 |
| **Total** | **-** | **-** | **860.95** | **927.48** |
| **Loans Repaid** | | | | |
| Hinduja Group Limited | - | - | 95.93 | 393.90 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | Parties referred to in I and IV above | | Parties referred to in II and III above | |
|---|---|---|---|---|
| | **March 31, 2026** | **March 31, 2025** | **March 31, 2026** | **March 31, 2025** |
| Hinduja Realty Ventures Limited | - | - | 918.63 | 668.52 |
| HFL Enterprises Limited | - | - | 4.00 | 40.25 |
| **Total** | **-** | **-** | **1,018.56** | **1102.67** |
| **Inter Corporate Deposits Taken** | | | | |
| Hinduja Group Limited | - | - | 0.77 | - |
| Hinduja Realty Ventures Limited | - | - | 457.99 | 95.40 |
| **Total** | **-** | **-** | **458.76** | **95.40** |
| **Inter Corporate Deposits Repaid** | | | | |
| Hinduja Group Limited | - | - | 0.77 | 298.00 |
| Hinduja Realty Ventures Limited | - | - | 317.46 | 19.73 |
| **Total** | **-** | **-** | **318.23** | **317.73** |
| **Reimbursement of expenses to** | | | | |
| NDL Ventures Limited | - | - | 0.13 | 0.86 |
| **Total** | - | - | 0.13 | 0.86 |
| **Reimbursement of expenses by** | | | | |
| NDL Ventures Limited | - | - | 0.02 | 0.02 |
| **Total** | **-** | **-** | **0.02** | **0.02** |
| **Inter Corporate Deposits Receivable** | | | | |
| Hinduja Group Limited | - | - | 49.95 | 33.65 |
| Hinduja Realty Ventures Limited | - | - | 20.63 | 198.70 |
| HFL Enterprises Private Limited (formerly known as HFL Enterprises Limited) | - | - | 24.09 | 19.93 |
| **Total** | **-** | **-** | **94.67** | **252.28** |
| **Interest receivable** | | | | |
| Hinduja Realty Ventures Limited | - | - | - | 8.82 |
| **Total** | **-** | **-** | **-** | **8.82** |
| **Inter Corporate Deposits Payable** | | | | |
| Hinduja Realty Ventures Limited | - | - | 216.20 | 85.67 |
| **Total** | **-** | **-** | **216.20** | **85.67** |
| **Interest Payable** | | | | |
| Hinduja Realty Ventures Limited | - | - | 0.48 | 0.93 |
| **Total** | **-** | **-** | **0.48** | **0.93** |
| **Dividend Paid** | | | | |
| Hinduja Group Limited | - | - | - | 12.33 |
| Hinduja Group Limited with'Hinduja Realty Ventures Limited | - | - | - | 0.42 |
| Aasia Corporation LLP | - | - | - | 0.26 |
| Hinduja Realty Ventures Limited | - | - | - | 2.09 |
| Harsha Ashok Hinduja | - | 0.85 | - | - |
| Ashok Parmanand Hinduja | - | 1.00 | - | - |
| Ambika Ashok Hinduja | - | 0.27 | - | - |
| Shom Ashok Hinduja | - | 0.21 | - | - |
| Hinduja Properties Ltd. | - | - | - | 0.04 |
| Ganesh Natarajan | - | 0.00 | - | - |
| Partha DeSarkar | - | 0.00 | - | - |
| **Total** | **-** | **2.33** | **-** | **15.14** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | Parties referred to in I and IV above | | Parties referred to in II and III above | |
|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Receivable net of Payables as at year-end** | | | | |
| NDL Ventures Limited | - | - | - | 0.13 |
| Others | - | - | 0.16 | 0.02 |
| **Total** | **-** | **-** | **0.16** | **0.15** |
| **Payable net of Receivables as at year-end** | | | | |
| Castle Media Private Limited | 2.43 | 0.62 | - | - |
| Spyke Technologies Private Limited | 0.96 | 0.17 | - | - |
| NDL Ventures Limited | - | - | 0.50 | - |
| Hinduja Group Limited | - | - | 2.90 | 3.67 |
| Hinduja Realty Ventures Limited | - | - | - | 0.02 |
| **Total** | **3.39** | **0.79** | **3.40** | **3.69** |

## 46 Fair value measurements

### (a) Financial instruments by category

| Particulars | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| **Financial assets** | | | | | | |
| Investments | | | | | | |
| - Treasury bills (Refer note 6) | - | - | 1.83 | - | - | 1.60 |
| - Non-convertible debentures (NCDs) (Refer note 6) | - | - | 4,129.96 | - | - | 3,630.85 |
| - Other Investments (Quoted) (Refer note 6) | 4.33 | 7.47 | - | 3.74 | 6.99 | - |
| - Other Investments (Unquoted) (Refer note 6) | - | 0.01 | 0.00 | - | 0.01 | 0.00 |
| Security deposits (Refer note 8 & 15) | - | - | 83.72 | - | - | 77.92 |
| Deposits with bank for Margin Money (Refer note 8 & 13b) | - | - | 0.22 | - | - | 3.89 |
| Bank deposits with maturity exceeding 12 month (Refer note 8) | - | - | 7.40 | - | - | 7.73 |
| Miscellaneous (Refer note 8) | - | - | - | - | - | - |
| Trade receivables (Refer note 12) | - | - | 871.81 | - | - | 764.48 |
| Cash and cash equivalents (Refer note 13a) | - | - | 568.94 | - | - | 751.69 |
| Other Bank balances (Refer note 13b) | - | - | 121.11 | - | - | 104.24 |
| Interest accrued on deposits/ loans (Refer note 15) | - | - | 104.28 | - | - | 126.00 |
| Finance lease and Other receivables (Refer note 8 & 15) | - | - | 12.87 | - | - | 4.01 |
| Derivative financial assets (Refer note 15) | - | - | - | - | 0.59 | - |
| Loans to Related parties and third parties (Refer note 7 & 14) | - | - | 1,882.23 | - | - | 1,931.12 |
| Other Receivables | - | - | 15.66 | | | 35.31 |
| **Total Financial assets** | **4.33** | **7.48** | **7800.02** | **3.74** | **7.59** | **7,438.84** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Particulars | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| **Financial liabilities** | | | | | | |
| Borrowings (Refer note 18) | - | - | 1,294.02 | - | - | 1,186.90 |
| Lease Liability (Refer note 19) | - | - | 673.89 | - | - | 756.27 |
| Deferred consideration payable (Refer note 23) | - | - | - | - | - | 85.43 |
| Trade payables (Refer note 22) | - | - | 351.24 | - | - | 509.09 |
| Derivative financial liabilities designated in a hedge relationship (Refer note 20 & 23) | - | - | - | - | - | - |
| Other financial liabilities (Refer note 20 & 23) | - | - | 279.50 | - | - | 260.18 |
| **Total Financial liabilities** | **-** | **-** | **2,598.65** | **-** | **-** | **2,797.87** |

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**(i) Fair value hierarchy**

Financial assets and liabilities include cash and cash equivalents, trade receivables, long and short-term loans and borrowings, finance lease payables, bank overdrafts, trade payable. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The fair value of cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long-term debt has been contracted at market rates of interest. Accordingly, the carrying value of such long-term debt approximates fair value.

| Financial assets and liabilities measured at fair value - recurring fair value measurements | Date of Valuation | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|---|
| **Financial assets** | | | | | | |
| Investments (Quoted instruments) | March 31, 2026 | 6 | - | 11.80 | - | 11.80 |
| | March 31, 2025 | | - | 10.73 | - | 10.73 |
| **Derivative financial assets** | | | | | | |
| Derivative financial assets | | | | | | |
| Foreign exchange forward contracts* | March 31, 2026 | 15 | - | - | - | - |
| | March 31, 2025 | | - | 0.59 | - | 0.59 |
| **Derivative financial liabilities** | | | | | | |
| Derivatives designated as hedges | | | | | | |
| Foreign exchange forward contracts* | March 31, 2026 | 20 & 23 | - | - | - | - |
| | March 31, 2025 | | - | - | - | - |

*The fair value of derivative financial instruments is determined based on the observable market inputs including currency spot and forward rates, yield curves, currency volatility, credit risk and discount rate etc.

**Derivative financial instruments:**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

**Valuation techniques and significant unobservable inputs**

The following table shows the valuation techniques used in measuring Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

| Type | Valuation technique | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement | Valuation process |
|---|---|---|---|---|
| Derivative and hedge instruments | Discounted cash flow approach | Discount rate determined as per market rate | Increase/decrease of 5% or so in the discount rate would result in decrease/increase in the fair value * | The valuation model considers the present value of expected payments discounted using appropriate discounting rates. |
| Investments | Discounted cash flow approach | Discount rate determined as per market rate | Increase/decrease of 5% or so in the discount rate would result in decrease/increase in the fair value * | Group has referred the fair valuation report of external valuation consultants for certain equity instruments measured at FVTOCI and FVTPL. |

* holding all other variables constant

**Changes in level 2 items - Investments (unquoted instruments)**

| Particulars | Investment in preference shares |
|---|---|
| **As at April 01, 2024** | - |
| Additions | - |
| Disposals | - |
| Gain / (loss) recognised in other comprehensive income | - |
| **As at March 31, 2025** | **-** |
| Additions | - |
| Disposals | - |
| Investments provided for | - |
| Gain / (loss) recognised in other comprehensive income | - |
| **As at March 31, 2026** | **-** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 47 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk, excluding trade receivables from related parties, is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit risk | Cash and cash equivalents, trade receivables, Investment in Non convertible Debentures, financial assets measured at amortized cost | Ageing analysis, Credit ratings, Letter of comfort, collateral securities | Diversification of bank deposits, credit limits for Customers, party-wise and overall limits on the inter-corporate deposits and loans. |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market risk - foreign exchange | Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR) | Cash flow forecasting Sensitivity analysis | Forward foreign exchange contracts |
| Market risk - Interest rate risk | Borrowings and Investment in Non convertible Debentures, financial assets measured at amortized cost | Cash flow forecasting Sensitivity analysis | Interest rate swap |

The Group's risk management is carried out by the finance department under direction of the Board of Directors. The Group's finance department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

### A) Credit risk

Credit risk arises from trade receivables including unbilled receivables, Investment in Non convertible Debentures, loans and intercorporate deposits, cash and cash equivalents and deposits with banks and financial institutions.

### i) Credit risk management:

Credit risk arises from the possibility that customers and borrowers may not be able to settle their obligations as agreed. A default on a financial asset arises when the counterparty fails to make contractual payments within agreed credit terms or when they fall due. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Group’s maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognised in the balance sheet.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- Historical default experience by class of financial asset
- the credit rating and financial condition of borrowers
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations

(All amounts are in ₹ Crore)

- Other applicable macroeconomic information such as regulatory changes

  A default on a financial asset is when the counterparty fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The major exposure to the credit risk at the reporting date is primarily from:

a. trade receivables and unbilled receivables amounting to ₹ 871.81 crore (March 31, 2025 - ₹ 764.48 crore). Trade receivables are typically unsecured. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accordingly, credit risk is managed through customer-specific credit approvals, establishing credit limits, and monitoring the creditworthiness of customers. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 120 days past due from agreed credit terms with the customer. Historically, the Group has not experienced any significant non-payment or write-offs, and the provision made as at the reporting date is considered to be adequate. During the year, the Group made write-offs of ₹ 4.20 Crore (March 31, 2025 - ₹ 4.75 Crore) of trade receivables.

b. Loans receivable and Intercorporate deposits amounting to ₹ 1,882.23 crore (March 31, 2025 - ₹ 1,931.12 crore). The loans and intercorporate deposits are placed with parties approved by the Audit Committee subject to the party-wise and overall limits established by the Board of Directors. The loans and intercorporate deposits are unsecured and are repayable on demand. The Group periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.

c. Exposure of credit loss on security deposits given against the rented premises is considered to be low as recovery of these deposits is supported by contractual agreement. As an internal process management performs background check of counterparty before entering into contractual agreement where credit risk assessment is carried out. As at reporting date credit risk has not increased significantly since initial recognition.

d. Non-convertible debentures (NCD) amounting to ₹ 4,129.96 crore (March 31, 2025 ₹ 3,630.85 crore) (Refer note 6). The Non-convertible debentures are placed with parties approved by the Board of Directors.

   The Non-convertible debentures have a lock in period of 24 months with a right to demand partial redemption of the NCDs upto 25% of the Issue Size with 45 business days' notice and an additional 25% of the Issue Size post the first redemption with 90 business days' notice. The Group periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information."

e. The Group held cash and cash equivalents and Other bank balances with credit worthy banks of ₹ 697.67 crore as at March 31, 2026 (March 31, 2025: ₹ 867.55 crore) respectively. The credit worthiness of such banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

a) Percentage of revenues generated from top customer and top five customers:

**Business Process Management**

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Revenue from top customer | 9.37% | 13.58% |
| Revenue from top five customers | 27.53% | 31.50% |

**Media and communications**

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Revenue from top customer | 17.41% | 6.98% |
| Revenue from top five customers | 30.90% | 16.03% |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**b) Exposure to credit risk and expected credit loss allowance (including specific allowance) for trade and other receivables:**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Gross carrying amount (trade and other receivables) | 932.61 | 851.60 |
| Weighed average loss rate - range | 6.52% | 10.23% |
| Loss allowance | 60.80 | 87.12 |

**Movement in excepted credit loss allowance**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances at beginning of the year | 87.12 | 65.88 |
| Movement in excepted credit loss Allowance | (26.32) | 21.24 |
| Balances at closing of the year | 60.80 | 87.12 |

## B) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's corporate treasury department, overseen by senior management, is responsible for liquidity and funding as well as settlement management.

Prudent Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities' to meet obligation's when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group's treasury maintains flexibility in funding by maintaining availability under committed credit lines. These limits vary by location to take into account the Liquidity of the market in which the entity operates.

The Group`s liquidity management policy involves projecting cash flows in major currencies, considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans.

Management monitors rolling forecasts of the Group`s net liquidity position on the basis of expected cash flows. The Group invests its surplus funds in Non-convertible debentures, loans and intercorporate deposits with parties approved by the Board of Directors to generate better returns. These investments are subject to the party-wise and overall limits established by the Board of Directors. The limits are regularly assessed and determined based upon and analysis of the credit ratings and financial solvency reviews.

**i) Financing arrangements**

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

| Ageing | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Expiring within one year (bank overdraft and other facilities) | 362.69 | 171.23 |
| **Total** | **362.69** | **171.23** |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice subject to the continuance of satisfactory credit ratings.

**ii) Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities into relevant maturity Groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(All amounts are in ₹ Crore)

| Contractual maturities of financial liabilities - March 31, 2026 | Within 1 year | between 1 to 2 years | between 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **Non-derivatives** | | | | | |
| Borrowings | 1,066.30 | 111.08 | 116.64 | - | **1,294.02** |
| Obligations under lease liability | 313.84 | 96.34 | 190.01 | 73.70 | **673.89** |
| Trade payables | 351.24 | - | - | - | **351.24** |
| Other financial liabilities | 251.30 | 17.79 | 3.50 | - | **279.50** |
| **Total non-derivative liabilities** | **1,982.68** | **225.21** | **310.15** | **73.70** | **2,591.74** |
| **Derivatives** | | | | | |
| Foreign exchange forward Contracts - net settled | 6.91 | - | - | - | **6.91** |
| **Total derivative liabilities** | **6.91** | **-** | **-** | **-** | **6.91** |

| Contractual maturities of financial liabilities - March 31, 2025 | Within 1 year | between 1 to 2 years | between 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **Non-derivatives** | | | | | |
| Borrowings | 856.82 | 189.52 | 137.27 | 3.29 | **1,186.90** |
| Obligations under lease liability | 338.57 | 236.19 | 99.25 | 82.25 | **756.27** |
| Trade payables | 509.09 | - | - | - | **509.09** |
| Deferred consideration payable | 85.43 | - | - | - | **85.43** |
| Other financial liabilities | 340.66 | 4.95 | - | - | **345.61** |
| **Total non-derivative liabilities** | **2,130.57** | **430.66** | **236.52** | **85.54** | **2,883.30** |
| **Derivatives** | | | | | |
| Foreign exchange forward Contracts - net settled | 1.26 | - | - | - | **1.26** |
| **Total derivative liabilities** | **1.26** | **-** | **-** | **-** | **1.26** |

**C) Market risk**

**i) Foreign currency risk**

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, GBP and CAD. Foreign exchange risk arises from highly probable forecast transactions (including inter-Group transactions) and recognized assets and liabilities denominated in a currency that is not the functional currency . The risk is measured through a forecast of highly probable foreign currency cash flows.

The Group's risk management policy is to hedge upto 75% of forecasted foreign currency sales for the next 12 months; 40% of forecasted foreign currency sales for the next 24 months and 20% of forecasted foreign currency sales for the next 36 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge the forecasted sales.

As the critical terms of the foreign exchange forward contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the foreign exchange forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The Group monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effective.

The objective of the hedges is to minimize the volatility of the functional currency cash flows of highly probable forecast transactions.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

In accordance with its risk management policies and procedures, the Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered for the purpose of being a hedge, the Group matches the terms of the derivatives to the terms of the hedged exposure and assesses the effectiveness of the hedged item match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship.

**ii) Foreign currency risk exposure**

a ) The exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

| Particulars | Currency | March 31, 2026 | March 31, 2025 |
|---|---|---|---|
| **Financial assets** | | | |
| Trade receivables/ Inter- company balances | USD | 53.32 | 347.79 |
| | GBP | 0.52 | 2.64 |
| | AED | - | 0.34 |
| | AUD | - | 0.01 |
| | EUR | 2.32 | 7.12 |
| Loans to Inter- company balances | USD | - | 380.41 |
| Investment - Treasury Bonds | USD | 4,129.96 | 3,630.85 |
| Loan to other entities in Foreign currency | USD | 812.82 | 726.11 |
| | GBP | 501.18 | - |
| Cash and cash equivalents | USD | 195.64 | 91.89 |
| | CAD | 0.78 | 0.55 |
| | GBP | 6.15 | - |
| | AUD | 118.36 | 0.29 |
| | EUR | 0.02 | - |
| | MUR | 0.07 | - |
| **Total** | | **5,821.14** | **5,188.00** |
| Lease Liability | USD | 94.38 | 94.38 |
| Trade payable/ Inter- company balances | USD | 333.51 | 112.29 |
| | GBP | 7.98 | 0.71 |
| | EUR | 6.26 | 0.21 |
| | CAD | 4.59 | 0.78 |
| **Total** | | **446.72** | **208.37** |
| **Net unhedged foreign currency exposure (a-b)** | | **5,374.43** | **4,979.64** |

**b) Foreign Exchange Earnings and Outgo (excluding foreign branch and foreign Subsidiaries):**

The Foreign Exchange earned in terms of actual inflows and outgo during the year are as under:

| For the Year | 2025-26 | 2024-25 |
|---|---|---|
| Total Foreign Exchange earned | 399.22 | 346.86 |
| Total Foreign | 37.37 | 57.60 |

(All amounts are in ₹ Crore)

**iii) Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and Interest rate swap designated as cash flow.

| Particulars | Impact on profit after tax | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **USD sensitivity** | | |
| USD -Increase by 5% (March 31, 2025 - 5%)* | 178.24 | 50.12 |
| USD -Decrease by 5% (March 31, 2025 - 5%)* | (178.24) | (50.12) |
| **GBP sensitivity** | | |
| GBP -Increase by 8% (March 31, 2025 - 8%)* | 29.92 | 0.12 |
| GBP -Decrease by 8% (March 31, 2025 - 8%)* | (29.92) | (0.12) |
| **CAD sensitivity** | | |
| CAD -Increase by 4% (March 31, 2025 - 4%)* | (0.11) | (0.01) |
| CAD -Decrease by 4% (March 31, 2025 - 4%)* | 0.11 | 0.01 |

| Particulars | Impact of cash flow hedges in other comprehensive income (net of tax) | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **USD sensitivity** | | |
| USD - Increase by 5% (March 31, 2025 - 5%)* | (0.35) | (0.03) |
| USD - Decrease by 5% (March 31, 2025 - 5%)* | 0.35 | 0.03 |

* Holding all other variables constant

**iv) Cash flow and fair value interest rate risk**

The Groups' main interest rate risk arises from floating rate borrowings, including various revolving and other lines of credit which expose the Group to cash flow interest rate risk. The Groups' manages it's net exposure to interest rate risk relating to borrowings by entering into interest rate swap agreements, which allows it to exchange periodic payments based on a notional amounts and agreed upon fixed and floating interest rates.

The Group's investments are primarily in fixed rate non-convertible debentures, short-term loans and deposits, which do not expose it to significant interest rate risk.

**(a) Interest rate risk exposure**

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Variable rate borrowings* | 834.09 | 836.63 |
| **Total borrowings** | **834.09** | **836.63** |

* The borrowings hedged against a derivative instrument are not included for interest rate exposure.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**(b) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars | Impact on profit before tax | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Interest rates — increase by 100 basis points (100 bps)* | (6.20) | (6.22) |
| Interest rates — decrease by 100 basis points (100 bps)* | 6.20 | 6.22 |

| Particulars | Impact of cash flow hedges in other comprehensive income (net of tax) | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Interest rates — increase by 100 basis points (March 31, 2025 -100 bps)* | - | - |
| Interest rates — decrease by 100 basis points (March 31, 2025 -100 bps)* | - | - |

* Holding all other variables constant

**Impact of hedging activities**

(a) Disclosure of effects of hedge accounting on financial position:

The group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item.

As the critical terms of the hedging instruments and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and whether it is expected that the value of the hedging instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates/interest rates. The Group monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effect.

Hedge ineffectiveness is recognised on a cash flow hedge in the statement of profit and loss. Ineffectiveness represents remaining portion of gain or loss on the hedging instrument that cannot be offset with the change in the fair value of the hedged item. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Company's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates and when the underlying hedged transaction is no longer expected to occur. No other sources of ineffectiveness emerged from these hedging relationships.

**March 31, 2026**

| Types of hedge and risks | Foreign Currency Notional Amount (USD Mn) | Carrying amount of hedging instrument | | Maximum Maturity date | Hedge ratio* | Changes in fair value of hedging instrument | Change in the value of hedged item used as the basis for recognising hedge effectiveness |
|---|---|---|---|---|---|---|---|
| | | Assets | Liabilities | | | | |
| **Cash flow hedge** | | | | | | | |
| **Foreign exchange risk** | | | | | | | |
| Foreign exchange forward contracts | | | | | | | |
| Sell USD, buy INR | 8.66 | - | 6.91 | November, 2027 | 1:1 | 6.91 | (6.91) |
| **Interest rate risk** | | | | | | | |
| Interest rate swap | 35.00 | 0.04 | - | April, 2027 | 1:1 | 0.04 | (0.04) |
| Interest rate swap | 14.00 | - | 0.66 | July, 2026 | 1:1 | 0.66 | (0.66) |

**March 31, 2025**

| Types of hedge and risks | Foreign Currency Notional Amount (USD Mn) | Carrying amount of hedging instrument | | Maximum Maturity date | Hedge ratio* | Changes in fair value of hedging instrument | Change in the value of hedged item used as the basis for recognising hedge effectiveness |
|---|---|---|---|---|---|---|---|
| | | Assets | Liabilities | | | | |
| **Cash flow hedge** | | | | | | | |
| **Foreign exchange risk** | | | | | | | |
| Foreign exchange forward contracts | | | | | | | |
| Sell USD, buy INR | 22.22 | - | 1.26 | November, 2027 | 1:1 | 1.26 | (1.26) |
| Sell USD, buy PHP | 7.40 | 1.84 | - | July, 2025 | 1:1 | 1.84 | (1.84) |
| **Interest rate risk** | | | | | | | |
| Interest rate swap | 40.00 | - | 1.96 | October, 2025 | 1:1 | 1.96 | (1.96) |
| Interest rate swap | 15.00 | - | 1.64 | July, 2026 | 1:1 | 1.64 | (1.64) |

*The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

(b) Disclosure of effects of hedge accounting on financial performance

**March 31, 2026**

| Type of hedge | Change in the value of hedging instrument recognised in Other comprehensive income | Hedge ineffectiveness recognised in statement of profit and loss | Amount reclassified from cash flow hedging reserve to statement of profit and loss | Line item affected in statement of profit and loss because of the reclassification |
|---|---|---|---|---|
| **Cash flow hedge** | | | | |
| Foreign exchange risk | 6.91 | - | 6.33 | Revenue & Other Income |

**March 31, 2025**

| Type of hedge | Change in the value of hedging instrument recognised in Other comprehensive income | Hedge ineffectiveness recognised in statement of profit and loss | Amount reclassified from cash flow hedging reserve to statement of profit and loss | Line item affected in statement of profit and loss because of the reclassification |
|---|---|---|---|---|
| **Cash flow hedge** | | | | |
| Foreign exchange risk | 1.26 | - | 2.07 | Revenue & Other Income |

## 48 Interests in other entities

**Subsidiaries**

The Group's subsidiaries at March 31, 2026 are set out below and were engaged in the business process management and Digital, Media & Communications Business. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Name of Entity | Place of Business/ Country of Incorporation | Ownership interest held by the Group | | Group's Effective Stake (%) | | Ownership interest held by non-controlling interests | |
|---|---|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | | % | % | % | % | % | % |
| HGS International | Mauritius | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| HGS CX Technologies Inc. (Refer Note b) | United States of America | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| HGS Properties LLC | United States of America | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| HGS Canada Inc. | Canada | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Affina Company, Canada | Canada | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| C-Cubed B.V. | Netherlands | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| C-Cubed N.V. | Curacao | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Customer Contact Centre Inc. (Refer a below) | Philippines | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Hinduja Global Solutions UK Limited | United Kingdom | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| HGS AG (Formerly known as Teklink International AG) | Switzerland | 100.00 | 100.00 | 100.00 | 100.00 | | |
| HGS St. Lucia Limited | Saint Lucia | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Team HGS Limited | Jamaica | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Hinduja Global Solutions Mena FZ LLC (Refer Note f) | United Arab Emirates | - | 100.00 | - | 100.00 | - | - |
| Falcon Health Solutions Puerto Rico Holding LLC | Puerto Rico | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Falcon Health Solutions Puerto Rico LLC | Puerto Rico | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| TeamHGS Australia Pty. Ltd. (Formerly known as Diversify Offshore Staffing Solutions Pty Ltd) | Australia | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Diversify ISS BGC Inc (Refer note c) | Philippines | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Diversify Offshore Solutions Cebu Inc | Philippines | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Hinduja Global Solutions Colombia S.A.S | Colombia | 100.00 | 100.00 | 100.00 | 100.00 | - | - |
| Team HGS South Africa (Pty) Ltd. | South Africa | 100.00 | 100.00 | 100.00 | 100.00 | | |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Name of Entity | Place of Business/ Country of Incorporation | Ownership interest held by the Group | | Group's Effective Stake (%) | | Ownership interest held by non-controlling interests | |
|---|---|---|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | | % | % | % | % | % | % |
| IndusInd Media & Communications Limited (IMCL) | India | 79.75 | 79.75 | 79.75 | 79.75 | 20.25 | 20.25 |
| ONEOTT Intertainment Limited | | 71.65 | 71.65 | 71.65 | 71.65 | 28.35 | 28.35 |
| USN Networks Private Limited | | 100.00 | 100.00 | 79.75 | 79.75 | 20.25 | 20.25 |
| United Mysore Network Private Limited | | 99.45 | 99.45 | 79.31 | 79.31 | 20.69 | 20.69 |
| Bhima Riddhi Infotainment Private Limited | | 51.00 | 51.00 | 40.67 | 40.67 | 59.33 | 59.33 |
| Gold Star Noida Network Private Limited | | 100.00 | 100.00 | 79.75 | 79.75 | 20.25 | 20.25 |
| Apna Incable Broadband Services Private Limited | | 100.00 | 100.00 | 79.75 | 79.75 | 20.25 | 20.25 |
| Sangli Media Services Private Limited | | 51.00 | 51.00 | 40.67 | 40.67 | 59.33 | 59.33 |
| Sainath In Entertainment Private Limited | | 51.00 | 51.00 | 40.67 | 40.67 | 59.33 | 59.33 |
| Sunny Infotainment Private Limited | | 100.00 | 100.00 | 79.75 | 79.75 | 20.25 | 20.25 |
| Goldstar Infotainment Private Limited | | 98.92 | 98.92 | 78.89 | 78.89 | 21.11 | 21.11 |
| Ajanta Sky Darshan Private Limited | | 100.00 | 100.00 | 79.75 | 79.75 | 20.25 | 20.25 |
| Darpita Trading Company Private Limited | | 51.00 | 51.00 | 40.67 | 40.67 | 59.33 | 59.33 |
| RBL Digital Cable Network Private Limited | | 100.00 | 100.00 | 79.75 | 79.75 | 20.25 | 20.25 |
| Vistaar Telecommunication and Infrastructure Private Limited | | 100.00 | 100.00 | 79.75 | 79.75 | 20.25 | 20.25 |
| Vinsat Digital Private Limited | | 51.15 | 51.15 | 40.79 | 40.79 | 59.21 | 59.21 |
| One Mahanet Intertainment Private Limited | | 100.00 | 100.00 | 71.65 | 71.65 | 28.35 | 28.35 |
| In Entertainment (India) Ltd | | 100.00 | 100.00 | 71.65 | 71.65 | 28.35 | 28.35 |
| HGS Digital Private Limited (Refer note e) | | 100.00 | - | 100.00 | - | - | - |
| Seven Star Balaji Broadband Private Limited (Refer note d) | | 51.00 | 51.00 | 36.54 | 36.54 | 63.46 | 63.46 |

Note:

a) Liquidated effective April 3, 2018 (While these are officially liquidated, the repatriation of funds are not yet complete and hence these are still part of the consolidated financial statements).

b) HGS CX Technologies Inc. has merged its wholly owned subsidiaries, namely Hinduja Global Solutions LLC (HGS LLC), HGS Canada Holdings LLC, HGS Digital LLC, HGS USA LLC and Teklink International LLC with the HGS CX Technologies Inc., effective from February 14, 2025.

c) Diversify Intelligent Staffing Solutions Inc., a step down wholly owned subsidiary of Hinduja Global Solutions Limited got merged with Diversify ISS BGC Inc., another step down wholly owned subsidiary of the Company. With this merger, Diversify Intelligent Staffing Solutions Inc. ceases to exist effective March 7, 2025

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

d) In April 2024, one of the subsidiaries of the Group acquired 51% stake in Seven Star Balaji Broadband Private Limited .

e) The Group incorporated the new wholly owned subsidiary - HGS Digital Private Limited on April 01, 2025.

f) The company is liquidated effective July 23, 2025.

**49 Segment reporting**

The Group operating segments are established on the basis of those components of the group that are evaluated regularly by the Board of Directors (The Chief Operating Decision Maker as defined in Ind As 108 - Operating segments) in deciding how to allocate recourses and in assessing performance. These have been identified taking into account nature of services, The deferring risks and returns and the internal business reporting systems.

**Primary segment information**

**Business segment**

The Group's primary business segments are reflected based on principal business activities carried on by the Group. The Group's primary businesses are as under:

i) Business Process Management segment offer voice and non-voice based services such as contact center solutions and back office transaction processing.

ii) Digital, Media & Communications activities include the commercial exploitation of Dark Fibre owned by the Company as a licensee under the Telecom regulations.

**Segment accounting policies**

Segment accounting policies are in line with accounting policies of the Group. In addition, the following specific accounting policies have been followed for segment reporting

i) Segment revenue includes income directly identifiable with the segments.

ii) Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are impracticable to allocate to the segment, are included under "Unallocable corporate expenses".

iii) Income which relates to the Group as a whole and not allocable to segments is included in Unallocable Income and netted off from Unallocable corporate expenses.

iv) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

| Particulars | Current year ended 31.03.2026 | Previous year ended 31.03.2025 |
|---|---|---|
| **1. Segment Revenue** | | |
| **Continuing Operations** | | |
| a. Business Process Management | 3,064.79 | 3,150.13 |
| b. Digital, Media and Communications | 1,242.57 | 1,254.05 |
| **Discontinued Operations** | | |
| a. Business Process Management | - | - |
| b. Digital, Media and Communications | - | - |
| **Total Segment revenue from operations** | **4,307.36** | **4,404.18** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Particulars | Current year ended 31.03.2026 | Previous year ended 31.03.2025 |
|---|---|---|
| **2. Segment Results before interest expenses** | | |
| **Continuing Operations** | | |
| a. Business Process Management | 309.96 | 327.84 |
| b. Digital, Media and Communications | (175.46) | (38.86) |
| **Discontinued Operations** | | |
| a. Business Process Management | 148.02 | 218.54 |
| b. Digital, Media and Communications | - | - |
| **Total** | **282.52** | **507.52** |
| (i) Less: Interest Expense | 206.81 | 229.14 |
| **Profit / (Loss) before tax** | **75.71** | **278.38** |
| **3. Segment Assets** | | |
| a. Business Process Management | 9,231.21 | 8,289.88 |
| b. Digital, Media and Communications | 1,843.79 | 2,358.48 |
| c. Unallocated | 488.65 | 523.69 |
| **Total** | **11,563.65** | **11,172.05** |
| **4. Segment Liabilities** | | |
| a. Business Process Management | 1,012.82 | 1,135.69 |
| b. Digital, Media and Communications | 616.42 | 842.41 |
| c. Unallocated | 1,498.31 | 1,339.09 |
| **Total** | **3,127.55** | **3,317.19** |
| **5. Capital employed (Segment assets - Segment Liabilities)** | | |
| a. Business Process Management | 8,218.39 | 7,154.19 |
| b. Digital, Media and Communications | 1,227.37 | 1,516.07 |
| c. Unallocated | (1,009.66) | (815.41) |
| **Total** | **8,436.10** | **7,854.85** |

* Refer Note 63

**Information regarding geographical revenue is as follows:**

| Country / region | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| India | 1,658.18 | 1,953.15 |
| Rest of the world | 2,649.18 | 2,451.03 |
| **Total revenue** | **4,307.36** | **4,404.18** |

**Information regarding geographical asset is as follows:**

| Country / region | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| India | 4,155.04 | 4,924.34 |
| Rest of the world | 7,408.61 | 6,247.70 |
| **Total revenue** | **11,563.65** | **11,172.04** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 50 Ratios

The ratios for the years ended March 31, 2026 and March 31, 2025 are as follows :

| Particulars | Numerator | Denominator | March 31, 2026 | March 31, 2025 | Variance (in %) |
|---|---|---|---|---|---|
| (a) Current Ratio | Current Assets | Current Liabilities | 3.34 | 3.21 | 4.00% |
| (b) Debt-Equity Ratio | Total Debt | Shareholder's Equity | 0.16 | 0.15 | -0.73% |
| (c) Debt Service Coverage Ratio | Earnings available for debt service | Interest cost, Debt and Lease payments | 0.36 | 0.44 | -17.56% |
| (d) Return on Equity Ratio (Refer Note 1) | Net Profits after taxes | Average Shareholder's Equity | 0.06% | 1.30% | -95.38% |
| (e) Trade Receivables turnover ratio | Net Credit Sales | Average accounts receivable | 5.26 | 5.84 | -9.89% |
| (f) Trade payables turnover ratio | Net Credit Purchases | Average accounts Payables | 4.09 | 4.47 | -8.48% |
| (g) Net capital turnover ratio | Net Sales | Working Capital | 0.77 | 0.86 | -10.06% |
| (h) Net profit ratio (Refer Note 1) | Net Profit | Net Sales | 0.11% | 2.29% | -95.19% |
| (i) Return on Capital employed (Refer Note 1) | Earning before interest and taxes | Capital Employed | 2.94% | 5.71% | -48.31% |
| (j) Return on investment (Refer Note 2) | Interest income earned | Average investment in Debentures, Loans, ICD and Treasury bills | 5.89% | 7.48% | -21.35% |

* The Group holds certain inventories which is not the core line of business of the Group, Inventory turnover ratio may not reflect the health parameter appropriately and hence not disclosed.

**Note:**

**Note - 1:** Due to decrease in net profit and profit before interest and Taxes, compared to previous year.

**Note - 2:** Due to decrease in interest income and increase in average investments.

## 51 Non-current asset held for sale, Discontinued operations and Summary of acquisition

### (a) Summary of acquisition

**Consideration transferred:**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Consideration Paid in Cash | - | 17.57 |
| **Total** | **-** | **17.57** |

**Assets acquired and liabilities recognised at the date of acquisition**

| Seven Star Balaji Private Limited | For the year ended March 31, 2025 |
|---|---|
| **Assets** | |
| Cash and cash equivalents | 0.01 |
| Network rights | 17.19 |
| **Liabilities** | |
| Deferred tax liabilities (Net) | (4.33) |
| Short-term provisions | 0.00 |
| **Total** | **12.87** |

(All amounts are in ₹ Crore)

**Net cash outflow on acquisition of subsidiaries**

| Seven Star Balaji Private Limited | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Consideration paid in cash | - | 17.57 |
| Less: cash and cash equivalent balances acquired | - | 0.01 |
| | **-** | **17.56** |

| Seven Star Balaji Private Limited | For the year ended March 31, 2025 |
|---|---|
| Purchase Consideration | 17.57 |
| Add: Non-Controlling Interest | 17.63 |
| | **35.20** |
| Less: Net Assets of the company | (3.15) |
| Network Rights | (17.19) |
| **Net Purchase consideration over Net assets of the company** | **14.86** |
| Add: Deferred Tax Liability | 4.33 |
| **Goodwill** | **19.19** |

- During the year, the Group has discharged deferred consideration payable on acquisition of Teklink of Rs. 85.43 Crore

**(b) Discontinued Operations:**

The Board of Directors of Hinduja Global Solutions Limited (the "Group"), at its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") to subsidiaries of Betaine BV ("Investor"), which is owned by funds affiliated with Baring Private Equity Asia. The transaction has been consummated on January 5, 2022. As a result, the Company has classified the HS Business as Discontinued Operations in its Financial Results including related notes and accounted the consideration in the quarter ended March 31, 2022.

In the previous year ended March 31, 2025, the Group has recognized net gain of ₹ 218.54 crore arising out of sale relating to HS Business after making appropriate provision of legal and other expenses. The impact of discontinued operations on income, expenses and tax is as under:

| Particulars | Current year ended 31.03.2026 | Previous year ended 31.03.2025 |
|---|---|---|
| Revenue from operations | - | - |
| Other Income | 148.02 | 375.42 |
| **Total income** | **148.02** | **375.42** |
| Employee benefit expense | - | - |
| Finance cost | - | - |
| Depreciation and amortisation expense | - | - |
| Other Expenses | - | 156.88 |
| **Total expenses** | **-** | **156.88** |
| **Profit/ (Loss) before tax** | **148.02** | **218.54** |
| Income Tax expense | - | - |
| **Profit/ (Loss) after tax** | **148.02** | **218.54** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 52 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Micro, Small and Medium enterprises have been identified on the basis of the information to the extent provided by the suppliers. Total outstanding dues of Micro, Small and Medium enterprises as on March 31, 2026 which are outstanding for more than the stipulated period are given below.

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 5.30 | 3.78 |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 0.09 | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| Further interest remaining due and payable for earlier years | 0.38 | 0.29 |

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group.

## 53 Leases

### i) Group as a lessee

The Group leases several assets including buildings, furnitures and equipments. The average lease term is 5.04 years. (March 31, 2025 - 4.61 years)

| Right-of-use assets | Building | Computers | Furniture& Fixtures | Office Equipment | STB | Plant & Equipment | Servers | Transponder | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Net carrying amount as at:** | | | | | | | | | |
| March 31, 2025 | 229.46 | 2.05 | - | - | 331.86 | 408.74 | - | 46.93 | **1,019.04** |
| March 31, 2026 | 339.24 | 13.46 | - | 16.83 | 235.53 | 329.14 | 0.19 | 29.14 | **963.53** |
| **Depreciation expense for the year ended:** | | | | | | | | | |
| March 31, 2025 | 77.27 | 3.15 | - | - | 73.53 | 110.57 | - | 17.99 | **282.51** |
| March 31, 2026 | 100.01 | 2.17 | - | 1.18 | 67.82 | 90.31 | 0.01 | 17.78 | **279.28** |

| Amounts recognised in statement of profit and loss | Year Ended March 31, 2026 | Year Ended March 31, 2025 |
|---|---|---|
| Depreciation expense on right-of-use assets | 279.28 | 282.51 |
| Interest expense on lease liabilities | 73.26 | 85.19 |
| Expense relating to short-term leases | 21.13 | 25.27 |
| Gain/ (Loss) on termination of leases | 0.26 | 0.22 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Lease liabilities | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Non Current | 360.05 | 417.70 |
| Current | 313.84 | 338.57 |
| **Total** | **673.89** | **756.27** |

**Movement in Lease Liabilities:**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Opening Balance | 756.27 | 800.75 |
| Add: Addition made during the year | 284.20 | 473.78 |
| Less : Deduction | (28.51) | (67.26) |
| Add: Finance cost accrued during the year | 73.26 | 85.19 |
| Less: Payment of Lease Liabilities | (411.33) | (536.19) |
| **Closing Balance** | **673.89** | **756.27** |

**Maturity analysis of Lease payments and short term & low value leases**

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Not later than 1 year | 313.85 | 351.29 |
| Later than 1 year and not later than 5 years | 286.35 | 335.45 |
| Later than 5 years | 73.70 | 82.25 |

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the treasury function.

**ii) Group as lessor**

The Group has entered into a non cancellable operating lease arrangement with its lessee for buildings. The average lease term is 5 years. (March 31, 2025 - 5 years).

Total lease rental income (receivable on monthly basis) recognized in the statement of profit and loss for the year ended March 31, 2026 is ₹ 10.11 crore. (March 31 2025 - 12.96 crore).

The future minimum lease income under non cancellable operating lease in aggregate are as follows:

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Not later than 1 year | 13.77 | 16.24 |
| Later than 1 year and not later than 5 years | 18.84 | 18.35 |
| Later than 5 years | 0.69 | 0.06 |

**iii) Sub-lease arrangement**

The Group Sub- leases several assets including buildings, furniture and equipments. The average lease term is 3.16 years. (March 31, 2025 - 4.2 years)

The movement on account of subleased asset during the years ended March 31, 2026 and March 31, 2025 is as follows:

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Balance at the beginning of the period | 3.48 | 8.70 |
| Addition during the period | 11.13 | - |
| Interest income accrued during the period | 0.24 | 0.44 |
| Lease receipts | (2.95) | (5.82) |
| Effect of Foreign currency differences | 0.25 | 0.16 |
| **Balance at the end of the period*** | **12.15** | **3.48** |

* This excludes lease equalization reserve of ₹ 0.75 crore (PY - ₹ 0.53 crore)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

The details of contractual maturities (undiscounted) of the subleased assets as at March 31, 2026 and March 31, 2025 are as follows :

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Not later than 1 year | 5.89 | 2.71 |
| Later than 1 year and not later than 5 years | 6.98 | 0.95 |
| Later than 5 years | - | - |

*During the previous year, the Group has received one time incentive of ₹ 8.29 crore from Intelsat who engaged in providing the "Transponder" on lease basis, in consideration of volume of business purchased by the Group. As per the terms, Incentive will be adjusted with future lease payment till January 31, 2025.

## 54 Renewal of licenses

Under the provisions of the Cable Television Networks (Regulations) Act, 1995, the Group Subsidiary Company IndusInd Media & Communications Limited (IMCL) as a Multi System Operator ('MSO') is registered with the Information and Broadcasting Ministry under Rule 11C of the Cable Television Network Rules, 1994. Apart from the said registration, IMCL is also required to take registration as a cable operator under Rule 5 of the Cable Television Networks Rules, 1994 from the Registering Authority i.e. Post Office year on year basis. IMCL is in the process of renewing the postal licenses that have lapsed during the year / previous years at some of the locations.

## 55 Foreseeable losses

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Group has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss.

## 56 Details of inventories under broad heads

| Inventories | Opening stock (A) | Purchases (B) | Sale/ Consumed (C) | Closing stock (D) |
|---|---|---|---|---|
| <u>Network cable, equipments and traded goods</u> | | | | |
| FY 2025-26 | 23.30 | 132.30 | 124.76 | 30.84 |
| FY 2024-25 | 11.05 | 70.05 | 57.80 | 23.30 |
| <u>Media inventory</u> | | | | |
| FY 2025-26 | 2.62 | - | 2.62 | - |
| FY 2024-25 | 5.59 | - | 2.97 | 2.62 |

## 57 Details of material non-controlling interests

| Company | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **IndusInd Media & Communications Limited (IMCL) including its subsidiaries** | | |
| Principal activity | Multi system operator in operation and distribution of television channels through medium of analogue, digital and terrestrial satellite cable transmission and distribution network | |
| Place of incorporation and principal place of business | India | |
| Proportion of ownership of interests and voting rights held by non-controlling interest | 0.20 | 0.20 |
| Profit /(Loss) allocated to non-controlling interests | (0.71) | 0.74 |
| **OneOTT Intertainment Limited including its subsidiaries** | | |
| Principal activity | It provides high speed internet connectivity over a Fiber optic GPON last mile to the customers through their flagship brand, ONE GigaFiber | |
| Place of incorporation and principal place of business | India | |
| Proportion of ownership of interests and voting rights held by non-controlling interest | 0.28 | 0.28 |
| Profit /(Loss) allocated to non-controlling interests | (25.71) | (20.96) |
| Accumulated non-controlling interests | 119.60 | 146.73 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Financial assets | 269.31 | 397.05 |
| Non-financial assets | 89.44 | 91.62 |
| Financial liabilities | 260.69 | 385.22 |
| Non-financial liabilities | 6.23 | 7.84 |
| Equity attributable to owners of the Company | 77.21 | 80.72 |
| Non-controlling interests | 14.63 | 14.88 |

| IMCL and its subsidiaries | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Revenue | 266.32 | 322.96 |
| Expenses | 268.47 | 319.01 |
| **Profit/ (Loss) for the year** | **(2.15)** | **3.95** |
| Tax Expense | 1.25 | 0.93 |
| **Profit / (Loss) for the year after tax** | **(3.40)** | **3.01** |
| **Other comprehensive income for the year** | **0.12** | **0.04** |
| **Total comprehensive income for the year** | **(3.28)** | **3.05** |
| Profit/ (Loss) attributable to owners of the Company | (3.57) | 3.67 |
| Profit / (Loss) attributable to the non-controlling interests | 0.17 | (0.66) |
| **Profit/ (Loss) for the year after tax** | **(3.40)** | **3.01** |
| Other comprehensive income attributable to owners of the Company | 0.05 | 0.04 |
| Other comprehensive income attributable to the non-controlling interests | 0.07 | 0.00 |
| **Other comprehensive income for the year** | **0.12** | **0.04** |
| Total comprehensive income attributable to owners of the Company | (3.52) | 3.71 |
| Total comprehensive income attributable to the non-controlling interests | 0.24 | (0.66) |
| **Total comprehensive income for the year** | **(3.28)** | **3.05** |
| Dividends paid to non-controlling interests | - | - |
| Net cash inflow / (outflow) from operating activities | 14.66 | 0.12 |
| Net cash inflow / (outflow) from investing activities | 150.64 | 57.44 |
| Net cash inflow / (outflow) from financing activities | (159.74) | (53.64) |
| **Net cash inflow / (outflow)** | **5.56** | **3.92** |

| OneOTT and its subsidiaries | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Financial assets | 91.46 | 172.11 |
| Non-financial assets | 746.15 | 790.27 |
| Financial liabilities | 502.61 | 540.70 |
| Non-financial liabilities | 45.89 | 41.43 |
| Equity attributable to owners of the Company | 271.75 | 362.44 |
| Non-controlling interests | 17.35 | 17.81 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| OneOTT and its subsidiaries | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Revenue | 350.40 | 349.04 |
| Expenses | 446.89 | 424.56 |
| **Loss for the year** | **(96.50)** | **(75.52)** |
| Tax Expense | (3.66) | (1.76) |
| **Profit / (Loss) for the year after tax** | **(92.84)** | **(73.76)** |
| **Other comprehensive income for the year** | **1.70** | **(6.42)** |
| **Total comprehensive income for the year** | **(91.14)** | **(80.18)** |
| Loss attributable to owners of the Company | (92.38) | (73.93) |
| Profit / (Loss) attributable to the non-controlling interests | (0.45) | 0.18 |
| **Loss for the year after tax** | **(92.83)** | **(73.75)** |
| Other comprehensive income attributable to owners of the Company | 1.70 | (6.42) |
| Other comprehensive income attributable to the non-controlling interests | - | - |
| **Other comprehensive income for the year** | **1.70** | **(6.42)** |
| Total comprehensive income attributable to owners of the Company | (90.68) | (80.35) |
| Total comprehensive income attributable to the non-controlling interests | (0.45) | 0.18 |
| **Total comprehensive income for the year** | **(91.13)** | **(80.17)** |
| Dividends paid to non-controlling interests | - | - |
| Net cash inflow / (outflow) from operating activities | 39.02 | 52.10 |
| Net cash inflow / (outflow) from investing activities | 95.30 | 122.30 |
| Net cash inflow / (outflow) from financing activities | (134.43) | (168.29) |
| **Net cash inflow / (outflow)** | **(0.11)** | **6.11** |

## 58 Details of the outstanding principal (including unamortised borrowing cost), interest rate, security and repayment terms:

| Unsecured Loans | As at March 31, 2026 | | | | As at March 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Non-current** | **Current** | **Interest Rate p.a.** | **Particulars of redemption / repayment** | **Non-current** | **Current** | **Interest Rate p.a.** | **Particulars of redemption / repayment** |
| **From Banks** | | | | | | | | |
| TL – 1 | - | - | Between 10.75% to 10.95% | Repayable Between April 2018 to July 2025 (Refer Note 1). However the loan is pre maturedly closed in June-2024 | - | - | Between 10.75% to 10.95% | Repayable Between April 2018 to July 2025 (Refer Note 1). However the loan is pre maturedly closed in June-2024 |
| TL – 2 | - | 19.99 | 9.43% - 9.50% | Repayable in Apr-26. (Working capital demand loans) (Refer note 2) | - | 15.00 | 9.50% | Repayable in Apr-25. (Working capital demand loans) (Refer note 2) |
| TL – 3 | 15.85 | 10.35 | 10.01% | Term loan for capital expenditure, Repayable in 18 Qty installments in multiple tranches, last being Mar-29. (Refer note 3) | 26.34 | 10.45 | 10.61% | Term loan for capital expenditure, Repayable in 18 Qty installments in multiple tranches, last being Mar-29. (Refer note 3) |
| TL - 4 | - | 102.85 | 9.50% | Repayable from Apr-26 to Jun-26 (Working capital loans for Purchase Invoice Financing) (Refer note 4) | - | 122.43 | 9.14% to 9.5% | Repayable from Apr-25 to Jun-25 (Working capital demand loans for Purchase Invoice Financing) (Refer note 4) |
| TL - 5 | 4.97 | 19.88 | 7.75% | Repayable from Mar-25 to Jun-27 (Working Capital Term Loan from Shinhan bank) (Refer note 5) | 25.00 | 20.00 | 8.75% - 9.00% | Repayable from Mar-25 to Jun-27 (Working Capital Term Loan from Shinhan bank) (Refer note 5) |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Unsecured Loans | As at March 31, 2026 | | | | As at March 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Non-current** | **Current** | **Interest Rate p.a.** | **Particulars of redemption / repayment** | **Non-current** | **Current** | **Interest Rate p.a.** | **Particulars of redemption / repayment** |
| TL – 6 | 13.65 | 21.17 | 8.25% | Repayable from Mar-25 to Jun-27 ( Term Loan from Bandhan bank) (Refer note 6) | 32.92 | 16.67 | 9.25% to 9.5% | Repayable from Mar-25 to Jun-27 ( Term Loan from Bandhan bank) (Refer note 6) |
| TL – 7 | - | 27.28 | 10.00% | Repayable from Apr-26 to Jun-26 (Working capital loans for Purchase Invoice Financing) (Refer note 7) from Standard Chartered Bank | - | - | - | - |
| TL – 8 | 12.48 | 5.09 | 9.7% to 10.45% | Payable in 20 Qly Installments Starting from 30-11-2024 to 31-12-2029 (Multiple tranches). (Refer Note 8 below) | 17.47 | 5.09 | 9.9% to 10.4% | Repayable in 20 Qty Installments Starting from Nov-24 to Dec 29 in multiple tranches. (Refer Note 7) |
| TL – 9 | - | 16.90 | 9.03% to 9.5% | WCDL - ₹1240 Lacs on 29-03-2026. PIF - ₹.450 Lacs on 30-01-2026. (Refer Note 9 below) | - | 17.50 | 9.14% to 9.5% | WCDL - ₹.14.40 crore in June 2024. PIF - ₹.4.54 crore on April 2024. (Refer Note 8 below) |
| TL – 10 | - | 350.58 | Coupon Linked to 3 month term SOFR +1.20% p.a | Repayable on March 31, 2027 | - | 350.26 | Coupon Linked to 3 month term SOFR +1.20% p.a | Repayable on: 20 October 2025 |
| TL – 11 | 109.35 | - | 3 Months SOFR | Repayable on 31st July 2029 (Refer Note 10 below) | 119.62 | - | 4.85% Fixed Rate | Repayable on: 18 July 2026 |
| Bank Overdrafts | - | 179.00 | 8.10% to 8.25% | Repayable on demand (Refer Note 11 below) | - | 185.00 | 8.25% to 8.45% | Repayable on demand (Refer Note 10) |
| **From Non-Banking Financial Institutions** | | | | | | | | |
| TL – 12 | 12.98 | 0.76 | 11.00% | Repayable between March 2025 to September 2027 (Refer Note 12 below) | 13.74 | 0.76 | 11.00% | Repayable between March 2025 to September 2027 (Refer Note 12 below) |
| TL – 13 | - | 44.57 | 11% | Repayable between June 2024 to December 2026 (Refer Note 13 below) | 44.57 | 2.51 | 11% | Repayable between June 2024 to December 2026 (Refer Note 13) |
| TL – 14 | 0.09 | 0.19 | 9.20% | 60 equated monthly installments (Refer Note 14 below) | 0.29 | 0.07 | 9.20% | 60 equated monthly installments (Refer Note 14 below) |
| TL – 15 | 0.02 | 0.07 | 8.25% | 60 equated monthly installments (Refer Note 15 below) | 0.29 | 0.07 | 9.20% | 60 equated monthly installments (Refer Note 14 below) |
| **Total Secured** | **169.39** | **798.68** | | | **280.24** | **745.81** | | |
| **Unsecured Loans** | | | | | | | | |
| Loans from related parties (Refer Note 45) | - | 216.20 | 8.80% to 12.25% | Repayable on demand | - | 75.67 | 9.00% | Repayable on demand |
| Loans from other parties | - | 8.50 | 9.00% | Repayable on demand | - | 10.00 | 9.00% | Repayable on demand |
| Other loans | 4.40 | 0.64 | 8.50% | No Repayable terms defined | - | 0.69 | 8.50% | No Repayable terms defined (Refer Note 11 below) |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Unsecured Loans | As at March 31, 2026 | | | | As at March 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| Particulars | Non-current | Current | Interest Rate p.a. | Particulars of redemption / repayment | Non-current | Current | Interest Rate p.a. | Particulars of redemption / repayment |
| TL - 16 | 53.93 | 42.28 | NA | Refer note 16 below | 50.13 | 24.72 | NA | Refer note 15 below |
| **Total Unsecured** | **58.33** | **267.62** | | | **50.13** | **111.08** | | |
| **Total** | **227.72** | **1,066.30** | | | **330.37** | **856.89** | | |

* Put / call Option at every 365 days interval from initial disbursement date.

**Notes:**

TL-1- The Loan is repayable in 7 years in 28 quarterly instalments, for each tranche of disbursement. First repayment will commence from 4th month of the date of each tranche of disbursement. Interest rate 6 months MCLR and Yes Bank Limited shall reset the 6 months MCLR on 1st day of the month falling after six calendar months including the month in which drawdown has been made. First Charge on all current and movable assets (both present and future) and Escrow Account for collection of proceeds of lease rentals to be created in favour of Vistra ITCL India Ltd. - PRE CLOSED IN JUNE-2024

2. TL-2 are secured by pari passu hypothecation on all current assets, movable fixed assets (present and future) and immovable properties.

3. TL-3 are secured by first pari passu hypothecation on all current assets, movable fixed assets (present and future) of the Media Division.

4. TL-4 are secured by first pari passu hypothecation on all current assets, movable fixed assets (present and future) of the Media Division.

5.TL-5 are secured by cash margin in the form of Fixed Deposits @ 10% of total loan value.

6. TL-6 are secured by a Cash Margin in the Form of Fixed Deposit @ 25% of the total loan value and subservient charge on all present and future fixed assets of Media Division.

7. TL-7 are secured by first pari passu hypothecation on all current assets, movable fixed assets (present and future) of the Media Division.

8 TL-8 : First Pari Passu charge on movable Fixed Assets, both present & future. Second pari passu charge by way of hypothecation of current assets both present and future).

9 TL-9 : First pari passu charge by way of hypothecation of current assets both present and future. Second Pari passu charge on movable Fixed Assets, both present & future

10 TL-10 : The borrowings are secured by

a) Corporate Guarantee from HGSL towards the Facility

b) Mortgage over fixed assets (land & building) of HGS Properties, with min market value of USD 5.2 mn evidenced through a valuation report

c) Hypothecation over the receivables aggregating to a min value USD 35 mn from the Borrower

d) Any shortfall in receivables/ fixed asset values (USD 35/5.2 mn respectively) to be met through alternate collateral or cash deposit"

11.Bank Overdraft - First Pari Passu charge on the entire current asset of the company both present and future (Excluding Media Division).

TL 12 and TL-13 : Repayable by way of bullet repayment on expiry of tenure of the facility,i.e, 3 years. The loan is secured by an exclusive charge on the land and building (Commercial property) located at plot no. 49/50, Marol Industrial Area, MIDC, Road No. 12, Andheri East, Mumbai 400093 and with a DSRA (Debt Service Reserve Account) of 26.7%.

TL -14 : The term loan is obtained by one of the subsidiary companies to purchase a vehicle. The term loan is secured by hypothecation of the said vehicle and is repayable in 60 equated monthly instalments of Rs 89,679 each.

TL -15 : The term loan is obtained by one of the subsidiary companies and is repayable in 60 equated monthly instalments of ₹ 19,785 each.

TL-16 : Borrowings are accounted as per the requirement of IND AS 116.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 59. Additional Information pursuant to para 2 of general information for the preparation of consolidated financial statements

| Name of the entity in the group | Net Assets (total assets minus total liabilities) | | Share in profit or (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| **Parent** | | | | | | | | |
| **Hinduja Global Solutions Limited** | | | | | | | | |
| March 31, 2026 | 32% | 2,583.15 | -2% | (160.58) | 0% | 3.01 | -2% | (157.57) |
| March 31, 2025 | 33% | 2,740.71 | -4% | (322.78) | 0% | (5.88) | -4% | (328.66) |
| **Subsidiaries** | | | | | | | | |
| **Indian** | | | | | | | | |
| **IndusInd Media & Communications Limited** | | | | | | | | |
| March 31, 2026 | 1% | 84.25 | 0% | (5.59) | 0% | (0.02) | 0% | (5.61) |
| March 31, 2025 | 1% | 89.85 | 0% | 3.74 | 0% | 0.03 | 0% | 3.77 |
| **OneOTT Intertainment Limited** | | | | | | | | |
| March 31, 2026 | 2% | 164.94 | -1% | (88.40) | 0% | 0.02 | -1% | (88.39) |
| March 31, 2025 | 3% | 253.32 | -1% | (67.71) | 0% | (0.08) | -1% | (67.79) |
| **Bhima Riddhi Infotainment Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 19.26 | 0% | (4.99) | 0% | 0.13 | 0% | (4.86) |
| March 31, 2025 | 0% | 24.11 | 0% | 1.39 | 0% | 0.00 | 0% | 1.39 |
| **Darpita Trading Company Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 2.43 | 0% | 1.12 | 0% | - | 0% | 1.12 |
| March 31, 2025 | 0% | 2.30 | 0% | 1.12 | 0% | - | 0% | 1.12 |
| **Sainath In Entertainment Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (2.56) | 0% | 0.03 | 0% | - | 0% | 0.03 |
| March 31, 2025 | 0% | (2.58) | 0% | 0.19 | 0% | - | 0% | 0.19 |
| **Sangli Media Services Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 0.22 | 0% | 0.01 | 0% | - | 0% | 0.01 |
| March 31, 2025 | 0% | 0.21 | 0% | (0.22) | 0% | - | 0% | (0.22) |
| **Vinsat Digital Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 0.16 | 0% | 4.06 | 0% | - | 0% | 4.06 |
| March 31, 2025 | 0% | (3.89) | 0% | (3.84) | 0% | - | 0% | (3.84) |
| **Ajanta Sky Darshan Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (0.15) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | (0.14) | 0% | (0.01) | 0% | - | 0% | (0.01) |
| **Apna Incable Broadband Service Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (1.77) | 0% | (0.04) | 0% | - | 0% | (0.04) |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Name of the entity in the group | Net Assets (total assets minus total liabilities) | | Share in profit or (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| March 31, 2025 | 0% | (1.74) | 0% | (0.01) | 0% | - | 0% | (0.01) |
| **Goldstar Infotainment Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (0.04) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | (0.03) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| **Goldstar Noida Network Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (5.85) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | (5.84) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| **RBL Digital Cable Network Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 0.11 | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | 0.12 | 0% | (0.01) | 0% | - | 0% | (0.01) |
| **Sunny Infotainment Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (0.64) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | (0.64) | 0% | (0.01) | 0% | - | 0% | (0.01) |
| **United Mysore Network Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (0.62) | 0% | (0.03) | 0% | - | 0% | (0.03) |
| March 31, 2025 | 0% | (0.59) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| **USN Networks Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (0.31) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | (0.30) | 0% | (0.02) | 0% | - | 0% | (0.02) |
| **Vistaar Telecommunication & Infrastructure Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | (1.05) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | (1.04) | 0% | (0.00) | 0% | - | 0% | (0.00) |
| **In Entertainment (India) Private Limited** | | | | | | | | |
| March 31, 2026 | 1% | 111.07 | 0% | (2.47) | 0% | 1.68 | 0% | (0.79) |
| March 31, 2025 | 1% | 111.86 | 0% | (5.69) | 0% | (6.34) | 0% | (12.03) |
| **Onemahanet Inentertainment Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 0.70 | 0% | (0.03) | 0% | - | 0% | (0.03) |
| March 31, 2025 | 0% | 0.73 | 0% | 0.01 | 0% | - | 0% | 0.01 |
| **Seven Star Balaji Broadband Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 2.58 | 0% | (0.93) | 0% | - | 0% | (0.93) |
| March 31, 2025 | 0% | 3.51 | 0% | 0.36 | 0% | - | 0% | 0.36 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| Name of the entity in the group | Net Assets (total assets minus total liabilities) | | Share in profit or (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| **HGS Digital Private Limited** | | | | | | | | |
| March 31, 2026 | 0% | 0.01 | 0% | (0.00) | 0% | - | 0% | (0.00) |
| March 31, 2025 | 0% | - | 0% | - | 0% | - | 0% | - |
| **Foreign** | | | | | | | | |
| **HGS International** | | | | | | | | |
| March 31, 2026 | 68% | 5,507.78 | 6% | 476.58 | 0% | - | 6% | 476.58 |
| March 31, 2025 | 60% | 4,787.35 | 5% | 419.86 | 0% | - | 5% | 419.86 |
| **C-Cubed N.V.** | | | | | | | | |
| March 31, 2026 | 0% | (0.09) | 0% | (0.11) | 0% | - | 0% | (0.11) |
| March 31, 2025 | 0% | (0.14) | 0% | (0.16) | 0% | - | 0% | (0.16) |
| **HGS St.Lucia Limited** | | | | | | | | |
| March 31, 2026 | 0% | (0.22) | 0% | - | 0% | - | 0% | - |
| March 31, 2025 | 0% | (0.20) | 0% | - | 0% | - | 0% | - |
| **Team HGS South Africa (Pty) Ltd.** | | | | | | | | |
| March 31, 2026 | 0% | (23.45) | 0% | (12.10) | 0% | - | 0% | (12.10) |
| March 31, 2025 | 0% | (8.92) | 0% | (8.88) | 0% | - | 0% | (8.88) |
| **HGS Properties LLC** | | | | | | | | |
| March 31, 2026 | 1% | 98.13 | 0% | (7.00) | 0% | - | 0% | (7.00) |
| March 31, 2025 | 1% | 95.68 | 0% | (7.61) | 0% | - | 0% | (7.61) |
| **HGS Canada Inc.** | | | | | | | | |
| March 31, 2026 | 2% | 191.59 | 0% | 2.42 | 0% | - | 0% | 2.42 |
| March 31, 2025 | 4% | 372.91 | 0% | 34.26 | 0% | - | 0% | 34.26 |
| **Affina Company** | | | | | | | | |
| March 31, 2026 | 0% | (28.61) | 0% | - | 0% | - | 0% | - |
| March 31, 2025 | 0% | (32.46) | 0% | - | 0% | - | 0% | - |
| **HGS CX Technologies Inc.** | | | | | | | | |
| March 31, 2026 | 19% | 1,545.11 | -2% | (142.10) | 0% | - | -2% | (142.10) |
| March 31, 2025 | 15% | 1,280.62 | -1% | (78.68) | 0% | - | -1% | (78.68) |
| **Hinduja Global Solutions UK Limited** | | | | | | | | |
| March 31, 2026 | 17% | 1,405.03 | 0% | 28.98 | 0% | - | 0% | 28.98 |
| March 31, 2025 | 16% | 1,356.03 | 0% | 16.31 | 0% | - | 0% | 16.31 |
| **C-Cubed B.V.** | | | | | | | | |
| March 31, 2026 | -1% | (54.80) | 0% | (1.91) | 0% | - | 0% | (1.91) |
| March 31, 2025 | -1% | (46.74) | 0% | (1.93) | 0% | - | 0% | (1.93) |
| **Customer Contact Center Inc.** | | | | | | | | |
| March 31, 2026 | 1% | 43.29 | 0% | 2.46 | 0% | - | 0% | 2.46 |
| March 31, 2025 | 0% | 39.38 | 0% | 0.73 | 0% | - | 0% | 0.73 |
| **Team HGS Limited** | | | | | | | | |
| March 31, 2026 | 12% | 926.57 | 1% | 73.44 | 0% | - | 1% | 73.44 |
| March 31, 2025 | 10% | 780.02 | 1% | 59.40 | 0% | - | 1% | 59.40 |
| **Hinduja Global Solutions Mena FZ LLC** | | | | | | | | |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Name of the entity in the group | Net Assets (total assets minus total liabilities) | | Share in profit or (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| March 31, 2026 | 0% | - | 0% | 3.48 | 0% | - | 0% | 3.48 |
| March 31, 2025 | -1% | (67.91) | 0% | (0.19) | 0% | - | 0% | (0.19) |
| **Falcon Health Solutions Puerto Rico Holding LLC** | | | | | | | | |
| March 31, 2026 | 0% | - | 0% | - | 0% | - | 0% | - |
| March 31, 2025 | 0% | - | 0% | - | 0% | - | 0% | - |
| **Falcon Health Solutions Puerto Rico LLC** | | | | | | | | |
| March 31, 2026 | 0% | 0.03 | 0% | - | 0% | - | 0% | - |
| March 31, 2025 | 0% | 0.03 | 0% | - | 0% | - | 0% | - |
| **TeamHGS Australia Pty. Ltd. (Formerly known as Diversify Offshore Staffing Solutions Pty Ltd)** | | | | | | | | |
| March 31, 2026 | 0% | (27.37) | 0% | (11.82) | 0% | - | 0% | (11.82) |
| March 31, 2025 | 0% | (13.70) | 0% | (10.77) | 0% | - | 0% | (10.77) |
| **Diversify ISS BGC Inc.** | | | | | | | | |
| March 31, 2026 | 0% | 24.70 | 0% | 7.04 | 0% | - | 0% | 7.04 |
| March 31, 2025 | 0% | 17.19 | 0% | 16.37 | 0% | - | 0% | 16.37 |
| **Diversify Offshore Solutions Cebu Inc.** | | | | | | | | |
| March 31, 2026 | 0% | 5.01 | 0% | 0.21 | 0% | - | 0% | 0.21 |
| March 31, 2025 | 0% | 4.94 | 0% | 6.09 | 0% | - | 0% | 6.09 |
| **HGS AG (Formerly known asTeklink international AG)** | | | | | | | | |
| March 31, 2026 | 0% | 15.03 | 0% | (9.51) | 0% | - | 0% | (9.51) |
| March 31, 2025 | 0% | 20.50 | 0% | 11.84 | 0% | - | 0% | 11.84 |
| **HGS Colombia S.A.S** | | | | | | | | - |
| March 31, 2026 | 0% | 6.70 | 0% | (8.52) | 0% | - | 0% | (8.52) |
| March 31, 2025 | 0% | 8.44 | 0% | (5.81) | 0% | - | 0% | (5.81) |
| **Less: Consolidation, Elimination and GAAP Adjustments** | | | | | | | | |
| March 31, 2026 | -53% | (4,393.44) | -1% | (111.48) | 7% | 571.13 | 6% | 459.66 |
| March 31, 2025 | -51% | (4,240.63) | 1% | 65.36 | 2% | 145.40 | 3% | 210.77 |
| **Less: Non-controlling interest** | | | | | | | | |
| March 31, 2026 | 1% | 119.60 | 0% | (27.25) | 0% | 0.49 | 0% | (26.76) |
| March 31, 2025 | 2% | 146.73 | 0% | (20.70) | 0% | (1.81) | 0% | (22.51) |
| **Grand Total** | | | | | | | | |
| **March 31, 2026** | | **8,316.50** | | **4.94** | | **576.44** | | **581.38** |
| **March 31, 2025** | | **7,708.12** | | **100.71** | | **131.33** | | **232.04** |

## 60. Additional regulatory information required by Schedule III to the Companies Act, 2013

(i) The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.

(iii) The Group has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(v) The Group does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(vi) Utilization of borrowed funds and securities premium:

(I) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(II) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) except the loan granted by the Parent company to it's subsidiary for acquisition of Teklink International LLC, which was settled during the previous year.

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

**61.** During the year ended March 31, 2024, the Income Tax department carried out survey/search at the Company's premises. Subsequently, the Company received a notice for re-opening of assessment for Assessment Year (AY) 2021-22 and the Show Cause Notices for the AY 2022-23 and AY 2023-24, regarding applicability of provisions of Chapter X-A of the Income Tax Act, 1961. On October 30, 2025, the GAAR panel passed a directive, characterizing the treatment of the tax losses under the demerger of NXT Digital's DMC business with the Company as an "impermissible avoidance arrangement" and directed the Deputy Commissioner of Income-tax (DCIT-AO) to disregard the brought forward losses of the demerged entity, i.e., NXT Digital with the income of the Company. As per communication, total tax reduction of the Company was Rs. 281.59 Crore. The demerger of Digital, Media & Communication business of NXTDigital into HGSL was approved by the Hon'ble National Company Law Tribunal ("NCLT"). The Company filed writ petition with Bombay High Court on November 7, 2025. The Hon'ble Bombay High Court heard the writ petition on December 19, 2025 and has passed an order in favour of the Company stating that: (a) the petition filed by the Company is admitted; and (b) in the interim, granted a stay on implementation of the said direction of GAAR Panel providing the interim relief to the Company.

The final financial impact, if any, will be known only upon completion of the proceedings before the Assessing Officer.

The Group has evaluated the aforesaid GAAR Panel directive and related communications. Based on its internal assessment and external legal advice and considering the writ petition filed by the Company on November 7, 2025 before the Hon'ble Bombay High Court challenging the GAAR Panel directive, the Group believes that the treatment of the tax position under the demerger is tenable and it is more than probable that its position will be upheld upon ultimate outcome in the matter. Accordingly no adjustment is considered necessary in the audited consolidated financial statements for the quarter and year ended March 31, 2026."

**62.** The Government has notified the Code on Social Security, 2020 ("Social Security Code"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019 (collectively, the "Labour Codes") on November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to Labour Codes. The Group has

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

evaluated the impact of increased employee benefits obligations arising from the implementation of the Labour Codes based on it's best judgment in consultation with external experts and actuary. Accordingly, the Group has recognised a financial impact of ₹ 4.49 crores in accordance with Ind AS 19 - 'Employee Benefits' and disclosed it as an Exceptional Item in the previous quarter and ₹ 4.80 crores in the current quarter ended March-26, totalling upto ₹ 9.29 crores in the audited consolidated financial statements for the year ended March 31, 2026.

On May 8, 2026, the Government of India notified Central Rules. However corresponding State Rules and certain other operational clarifications under the new Labour codes are yet to be notified. The Company continues to monitor the finalisation of Slate Rules, and further clarifications, and will record any additional accounting impact, as required.

The Group continues to monitor the developments and will take this into consideration as and when further clarifications and Rules are notified.

63. Previous year figures have been regrouped / rearranged wherever considered necessary, to conform to current year classification.

**The accompanying notes form as integral part of these consolidated financial statements.**

*** Refer Note 63**

**As per our report of even date**

**For Haribhakti & Co. LLP**

Firm registration no. 103523W / W100048

Chartered Accountants

**Snehal Shah**
Partner
Membership No. 048539

**Place : Mumbai**
**Date : May 29, 2026**

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Pradeep Udhas**
Independent Director
DIN: 02207112

**Place : Mumbai**

**Venkatesh Korla**
Chief Executive Officer

**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818

**Place : Mumbai**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer

**Place : Mumbai Date : May 29, 2026**

**Narendra Singh**
Company Secretary

**Place : Mumbai**

# INDEPENDENT AUDITOR’S REPORT

## INDEPENDENT AUDITOR’S REPORT

**To the Members of Hinduja Global Solutions Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **Hinduja Global Solutions Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as “standalone financial statements”) in which are included the Return for the year ended on that date audited by the branch auditor of the Company’s branch at Philippines.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the branch auditor on financial information of the branch referred to in the Other Matter section below, 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 accounting principles generally accepted in India including the Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2026, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditor in terms of their report referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Emphasis of Matter**

We draw attention to Note 54 to the standalone financial statements, regarding the GAAR-related income- tax proceedings and the writ petition filed by the Company before the Hon’ble Bombay High Court against the directive issued by the GAAR Panel to disregard the brought forward losses of the demerged entity, resulting in a potential tax demand of ₹ 281.59 crore. As stated in the said note, the Hon’ble Bombay High Court has granted an interim stay on the implementation of the GAAR Panel directive, and the matter is currently sub judice. Pending the final outcome of the proceedings and based on management’s assessment supported by external legal advice, no adjustment has been considered necessary in the standalone financial statements and the matter has been disclosed as a contingent liability. Our opinion is not modified in respect of this matter.

**Key Audit Matter**

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

# INDEPENDENT AUDITOR'S REPORT

| Sr. No. | Key audit matter | How our audit addressed the key audit matter |
|---|---|---|
| 1. | **Intercorporate deposits to the related parties**<br><br>As described in Note 7, Note 13 and Note 43, the Company has given intercorporate deposits of Rs. 866.01 Crore (March 31, 2026 Rs. 1,023.73 Crore) to its related parties which were outstanding as on March 31, 2026.<br><br>We identified the aforesaid transactions with related parties and its disclosure, as set out in respective notes to the standalone financial statements, was a significant area of focus and hence, considered it as a Key Audit Matter. | • Obtained an understanding of the Company's policies, and procedures in respect of identification, approval, accounting, assessment of arm's length, and disclosure of intercompany deposits ('related party transactions') to related parties. We also understood design and implementation of controls and tested the operating effectiveness of these controls.<br><br>• Obtained the list of related parties from the management and traced the related parties to declarations given by the directors, where applicable.<br><br>• Read minutes of the meetings of the Board of Directors and Audit Committee, to trace related party transactions with limits approved by Audit Committee/ Board of Directors, providing an unanimous approval of all independent directors present at the meeting approving the placement of unsecured intercorporate deposits to related parties, including to the promoter shareholders, the terms thereof, degree of credit risk associated with the respective borrowers, the purpose and business rationale for giving intercorporate deposits, and the arm's length interest rates considered.<br><br>• Tested such related party transactions on a sample basis, with the underlying contracts, confirmation letters and other supporting documents.<br><br>• Validated the Company's assessment, with respect to compliance with the relevant provisions of the Act, on arm's length principles.<br><br>• Inspected Management's evaluation of recoverability by reference to the audited or unaudited financial statements including change in ratings as applicable of the respective borrowers.<br><br>• Reviewed the classification and disclosures in the standalone financial statements to assess whether the classification and disclosure are in accordance with the requirement of Schedule III and Ind AS 24 'Related Party Disclosures'. |

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Corporate Overview, Management Discussion & Analysis Report, Business responsibility and sustainability report and Corporate Governance report, but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The Director's report, Corporate Overview, Management Discussion & Analysis Report, Business responsibility and sustainability report and Corporate Governance report are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's report, Corporate Overview, Management Discussion & Analysis Report, Business responsibility and sustainability report and Corporate Governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of the standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

# INDEPENDENT AUDITOR'S REPORT

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its branch to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the branch auditor, such branch auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year 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 Matter**

We did not audit the financial information of one foreign branch included in the standalone financial statements, whose financial statements reflect total assets of Rs. 953.58 Crore as at March 31, 2026, total revenues of Rs. 307.22 Crore for the year ended March 31, 2026, total net profit after tax of Rs. 34.75 Crore and total comprehensive income of Rs. 34.75 Crore for the year ended March 31, 2026, and net cash outflows of Rs. 19.95 Crore for the year ended March 31, 2026 as considered in the standalone financial statements. The financial statements of the branch have been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

This Branch is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of such Branch located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of such branch located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

(1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the branch auditor on the separate financial information of the branch referred to in the Other Matter 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;

# INDEPENDENT AUDITOR'S REPORT

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 and proper returns adequate for the purposes of our audit have been received from branch not visited by us;

c) The report on the accounts of the branch office of the Company audited under section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report;

d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account and with the returns received from branch not visited by us;

e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

f) On the basis of the written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;

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 2";

h) With respect to the other matter 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/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35(a) on Contingent Liabilities 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 46 on derivatives 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;

   iv a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the account, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

# INDEPENDENT AUDITOR'S REPORT

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the account, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that are 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 Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

**Snehal Shah**
Partner
Membership No. 048539
UDIN: 26048539OYFHWM9678

Place: Mumbai
Date: May 29, 2026

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of **Hinduja Global Solutions Limited** ("the Company") on the standalone financial statements for the year ended March 31, 2026]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use Assets except in case of set top boxes which are in possession of customers/ third parties and distribution equipment comprising overhead and underground cables, pertaining to digital, media and communication business. As informed by the management, it is impracticable to maintain detailed records of such assets given the nature of such assets and the Company's business.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Company has a program of verification of Property, Plant and Equipment, and right-of-use assets so to cover all the items, except set top boxes which are in possession of customers/ third parties and distribution equipment comprising overhead and underground cables pertaining to digital, media and communication business, once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment, except for setup boxes and distribution equipment, were due for verification during the year and were physically verified by the Management during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification. Further, Management is of the view that it is not possible to physically verify the setup boxes and distribution equipment, due to their nature and location. Further, in case of the Company's branch at Philippines, during the year, the branch have not physically verified its Property, Plant and Equipment.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed/ the property tax receipts and the lease agreement for the land/ building provided to us, we report that, the title deeds of all the immovable properties, disclosed in the Standalone financial statements included in property, plant and equipment of land and buildings which are freehold are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as at the balance sheet date, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and/or Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.

(e) No proceedings have been initiated or are pending against the Company as at March 31, 2026 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder, as amended.

(ii) (a) The inventory lying in the books of account consist of stock of network cable and equipment. The management has conducted physical verification of inventory in respect of stock of network cable and equipment at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on physical verification carried out during the year.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate from banks and/or financial institutions, on the basis of security of current assets as per the agreement. The quarterly returns/statements filed by the Company with such banks and/or financial institutions are in agreement with the unaudited/audited books of account of the Company of the respective quarters.

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

(iii) During the year, the Company has not provided security or granted any advances in the nature of loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties. Further during the year, the Company has made investments, provided guarantee and granted unsecured loans to some of its subsidiaries and other parties, in respect of which:

(a) During the year, the Company has made investment in, provided guarantee and unsecured loans to some of its subsidiaries and other parties, details of which are given below:

(Rs in )

| Sr. No. | Particulars | Loans granted | Investment made | Guarantee Provided |
|---|---|---|---|---|
| A. | **Aggregate amount granted / provided during the year** | | | |
| | - Subsidiaries | 131.09 | - | - |
| | - Others | 222.85 | - | - |
| B. | **Balance outstanding as at March 31, 2026 in respect of above cases** | | | |
| | - Subsidiaries | 795.43 | 129.00 | 754.96 |
| | - Others | 70.58 | - | - |

(b) In our opinion, the terms and conditions of Investment made, all the loans granted by the Company during the year are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of the aforesaid loans, there were no schedule for repayment of principal and interest has been stipulated by the Company as the same were repayable on demand except for Loan to one of the Wholly Owned Subsidiary granted during the year of Rs Nil (outstanding balance as on March 31, 2026 is Rs. 679.57 crore) wherein the terms of repayment is perpetuity. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest and amounts overdue for more than ninety days, if any, as required under clause (iii)(d) of paragraph 3 of the Order.

(d) There were no loans which has fallen due during the year, have been renewed or extended. Further, there were no instances of fresh loans being granted to settle the overdues of existing loans given to the same parties.

(e) The Company has granted loans which are either repayable on demand or without specifying any terms or period of repayment. Details of the same are as below:

(Rs in )

| Particulars | All parties | Related Parties * |
|---|---|---|
| **Aggregate amount of loans** | | |
| - Repayable on demand (A) | 79.58 | 795.43 |
| - Agreement does not specify any terms or period of repayment (B) | - | - |
| **Total (A+B)** | 79.58 | 795.43 |
| Percentage of loans to the total loans | 100% | |

* As defined under section 2(76) of the Act

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.

(vi) In respect of digital, media and communication business, the maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

(vii) (a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, value added tax, cess and any other material statutory dues applicable to it, though there has been a slight delay in a few cases.

No undisputed amounts payable in respect of Income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable, except as follows:

| Name of the statute | Nature of the dues | Amount (Rs in crore) | Period to which the amount relates | Due Date | Date of Payment |
|---|---|---|---|---|---|
| Maharashtra Entertainment Duty Act, 1923 | Entertainment Tax | 1.03 | Several Years | Various date | Unpaid |
| TDS | TDS | 0.04 | July, 2024 to August 2024 | Various date | Unpaid |
| TDS | TDS | 0.15 | March 2025 to June 2025 | Various date | unpaid |
| ESIC | ESIC | 0.00* | May 2024 to March 2025 | Various date | Unpaid |

* Rs. 11,255

(b) The dues outstanding with respect to Income tax, GST, sales tax, service tax, value added tax, customs duty, Entertainment Tax, License Fees on account of any dispute, are as follows:

| Name of the statute | Nature of the dues | Amount (₹ In )* | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Income Tax Act 1961 | Income Tax | 21.78 | AY 2002-03 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 42.86 | AY 2003-04 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 64.20 | AY 2004-05 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 32.95 | AY 2005-06 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 9.13 | AY 2006-07 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 14.02 | AY 2007-08 | Deputy Commissioner of Income Tax |
| Income Tax Act 1961 | Income Tax | 23.26 | AY 2008-09 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 23.86 | AY 2009-10 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 39.44 | AY 2010-11 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 3.82 | AY 2011-12 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 0.97 | AY 2018-19 | Commissioner of Income Tax (Appeals) |

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

| Name of the statute | Nature of the dues | Amount (₹ In )* | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Income Tax Act 1961 | Income Tax | 0.44 | AY 2019-20 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 281.59 | AY 2022-2023 | Bombay High court |
| Income Tax Act 1961 | Income Tax | 0.95 | AY 2020-21 | Commissioner of Income Tax (Appeals) |
| Income Tax Act 1961 | Income Tax | 1.00 | AY 1999-2000 | High Court |
| Income Tax Act 1961 | Income Tax | 1.74 | AY 2000-2001 | Income Tax Appellate Tribunal |
| Income Tax Act 1961 | Income Tax | 1.45 | AY 2001-2002 | High Court |
| Income Tax Act 1961 | Income Tax | 1.84 | AY 2002-2003 | Assessing officer |
| Income Tax Act 1961 | Income Tax | 1.34 | AY 2004-2005 | Supreme Court |
| Income Tax Act 1961 | Income Tax | 0.11 | AY 2005-2006 | Supreme Court |
| Income Tax Act 1961 | Income Tax | 2.09 | AY 2006-2007 | Assessing Officer |
| Income Tax Act 1961 | Income Tax | 5.62 | AY 2007-2008 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 0.17 | AY 2010-2011 | Assessing officer |
| Income Tax Act 1961 | Income Tax | 0.10 | AY 2011-2012 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 1.53 | AY 2012-2013 | Assessing officer |
| Income Tax Act 1961 | Income Tax | 3.87 | AY 2013-2014 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 12.02 | AY 2014-2015 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 3.19 | AY 2015-2016 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 8.50 | AY 2016-2017 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 1.82 | AY 2017-2018 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 2.20 | AY 2018-2019 | Commissioner of Income Tax (Appeal) |
| Income Tax Act 1961 | Income Tax | 0.02 | AY 2019-2020 | Assessing Officer |
| Maharashtra Entertainment Duty Act, 1923 | Entertainment tax | 0.56 | May-2008 to Jul-2010 | High Court/ Tahsildar Borivali |
| Maharashtra Entertainment Duty Act, 1923 | Entertainment tax | 5.07 | Apr-2013 to Sep-2013 | District Collector/ Tahsildar, Mumbai |
| Maharashtra Entertainment Duty Act, 1923 | Entertainment tax | 12.61 | Apr-2013 to Mar-2015 | Tahsildar, Nagpur |

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

| Name of the statute | Nature of the dues | Amount (₹ In )* | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Maharashtra Entertainment Duty Act, 1923 | Entertainment tax | 0.41 | Apr-2013 to Jul-2013 | Entertainment Tax Officer, Nashik |
| Maharashtra Entertainment Duty Act, 1923 | Entertainment tax | 0.20 | Apr-2009 to Jun-2015 | Entertainment Tax Officer, Mumbai |
| Andhra Pradesh Entertainment Act, 1939 | Entertainment tax | 1.93 | Apr-2010 to Mar-2014 | Commercial Tax Officer, Hyderabad |
| Uttar Pradesh Entertainment and betting Tax Act, 1979 | Entertainment tax | 2.52 | Apr- 2013 to June 2017 | District Magistrate |
| Maharashtra Entertainment Duty Act, 1923 | Entertainment tax | 0.24 | Apr-2013 to June 2017 | Tahsildar, Nagpur |
| Service Tax Act, 1994 | Service Tax | 0.41 | Oct-2006 to Mar-2007 | Customs, Excise and Service Tax appellate Tribunal, Delhi |
| Service Tax Act, 1994 | Service Tax | 0.46 | Apr-2003 to Dec-2007 | Customs, Excise and Service Tax appellate Tribunal, Delhi |
| Service Tax Act, 1994 | Service Tax | 0.02 | Jan-2008 to Sep-2008 | Customs, Excise and Service Tax appellate Tribunal, Delhi |
| Service Tax Act, 1994 | Service Tax | 0.03 | Oct-2008 to Jun-2009 | Customs, Excise and Service Tax appellate Tribunal, Delhi |
| Service Tax Act, 1994 | Service Tax | 0.03 | Jul-2009 to Dec-2009 | Customs, Excise and Service Tax appellate Tribunal, Delhi |
| Service Tax Act, 1994 | Service Tax | 0.04 | Jan-2010 to Dec-2010 | Customs, Excise and Service Tax appellate Tribunal, Delhi |
| Service Tax Act, 1994 | Service Tax | 91.96 | April 2010 to December 2014 | Commissioner of Service Tax - V, Mumbai |
| Service Tax Act, 1994 | Service Tax | 29.82 | Jan 2015 to June 2017 | Commissioner of Service Tax - V, Mumbai |
| West Bengal Value Added Tax Act, 2003 | Sales Tax | 0.44 | 2012-13 | Sales Tax Officer |
| Karnataka Value Added Tax Act, 2003 | Sales Tax | 0.26 | 2011-12 | Commercial Tax Officer, Karnataka |
| Karnataka Value Added Tax Act, 2003 | Sales Tax | 0.35 | 2012-13 | Commercial Tax Officer, Karnataka |
| Karnataka Value Added Tax Act, 2003 | Sales Tax | 0.15 | 2015-16 | Commercial Tax Officer, Karnataka |
| Karnataka Value Added Tax Act, 2003 | Sales Tax | 0.77 | 2013-14 | Commercial Tax Officer, Karnataka |
| Karnataka Value Added Tax Act, 2003 | Sales Tax | 0.46 | 2016-17 | Commercial Tax Officer, Karnataka |

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

| Name of the statute | Nature of the dues | Amount | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| | | (₹ In )* | | |
| Central Sales Tax Act 1956 | Sales Tax | 0.25 | 2012-13, 2013-14 and 2014-15 | High Court of Telangana |
| UP Value added Tax Act, 2008 | Sales Tax | 0.20 | FY 2016-17 | Commercial Tax Officer Noida |
| Telangana Value added Tax Act- 2005 | Sales Tax | 3.43 | Nov 2015 to June 2017 | High Court of Telangana |
| Telangana Value added Tax Act- 2005 | Sales Tax | 1.04 | Nov 2015 to June 2017 | High Court of Telangana |
| Andhra Pradesh Value Added Tax, 2005 | Sales Tax | 2.98 | Nov 2015 to June 2017 | High Court of Andhra Pradesh |
| Andhra Pradesh Value Added Tax, 2005 | Sales Tax | 0.74 | Nov 2015 to June 2017 | High Court of Andhra Pradesh |
| UP Value added Tax Act, 2008 | Sales Tax | 0.02 | FY 2016-17 | Commercial Tax Officer Noida |
| Gujarat Value Added Tax Act 2003. | Sales Tax | 0.06 | 2015-2016 | VAT Officer, Gujrat |
| Chhattisgarh Value Added Tax, 2005 | Sales Tax | 0.55 | FY 2015-16 and FY 2016-17 | Deputy Commissioner Appeal, Raipur |
| Central Sales Tax Act, 1956 | Sales Tax | 2.09 | 2015-16 | Commissioner of Sales Tax, Gujarat |
| Central Sales Tax Act, 1956 | Sales Tax | 2.10 | 2016-17 | Commissioner of Sales Tax, Gujarat |
| CST Act, 1956 | Sales Tax | 8.34 | 2017-18 | Commissioner of Sales Tax, Gujarat |
| The Customs Act, 1962 | Custom duty | 4.20 | 2015 To 2019 | Directorate of Revenue Intelligence |
| The Customs Act, 1962 | Custom duty | 4.85 | 2012 | Customs, Excise and service Tax Appellate Tribunal |
| Telecom Regulatory Authorities of India Act, 1997 | License Fee Payable on Broadband Services | 587.12 | FY 2010-11 to FY 2019-20 | Telecom Disputes Settlement and Appellate Tribunal |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.67 | July 2017 till March 2021 | Hon'ble Allahabad High Court |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.33 | Jul-17 | Deputy Commissioner of Sales Tax (Appeals)-III, Mazgaon |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.03 | 2019-2020 | Deputy Commissioner of State Tax, Punjab |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 4.32 | 2017-2018 | Goods and Services Tax Appellate Tribunal, Karnataka |

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

| Name of the statute | Nature of the dues | Amount (₹ In )* | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.13 | 2017-2018 | Joint Commissioner of Commercial Tax Appeals, west Bengal |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.75 | 2017-2018 | Central Excise and Service Tax Appellate Tribunal |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.11 | 2017-2018 | The Senior Joint Commissioner (Appeals), West Bengal |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 2.63 | 2020-2021 | Joint Commissioner Goods and Service Tax, (Appeals) |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 4.34 | 2018-2019 | Deputy Commissioner Goods and Service Tax (Appeals), Gujarat |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | 8.47 | 2021-2022 | Joint Commissioner Goods and Service Tax, (Appeals) |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.30 | 2020-2021 | The commissioner of Sales Tax (Appeals-II), New Delhi |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.38 | 2019-2020 | Goods and Service Tax Commissioner Appeals, Hyderabad |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.54 | 2019-2020 | Deputy Commissioner of State Tax Appeals, Gujarat |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 1.00 | 2019-2020 | The Additional Commissioner of State Tax (Appeals-North), Goa |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.08 | 2019-2020 | The Commissioner of Central Goods and Service Tax & Central Excise (Appeals), Uttar Pradesh |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 2.16 | 2019-2020 | The Commissioner of Goods and Service Tax (Appeals-II), Maharashtra |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 4.48 | 2020-2021 | The Commissioner of Goods and Service Tax (Appeals-II), Maharashtra |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.01 | 2020-2021 | Deputy Commissioner of Sales Tax (Appeals) Gujarat |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 1.68 | 2018-2019 | Commissioner of Sales Tax (Appeals) New Delhi |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.06 | 2021-2022 | Sales Tax Officer, New Delhi |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.05 | 2020-2021 | Sales Tax Officer, New Harayana |

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

| Name of the statute | Nature of the dues | Amount (₹ In )* | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.34 | 2019-2020 | Commissioner of Sales Tax (Appeals) New Bihar |
| Goods and Service Tax Act, 2017 | Goods and Services Tax | 0.63 | 2019-2020 | Commissioner of Sales Tax (Appeals) New Delhi |

*Net of amount paid under protest

(viii) We have not come across any transactions which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has prima facie utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone 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 as defined under the Act.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, as defined under the Act.

(x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.

(b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or up to the date of this report.

(c) There are no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

# ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

(xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) of paragraph 3 of the Order is not applicable.

(c) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.

(xvii) The Company has not incurred cash losses in the current year. However, the Company had incurred cash losses of Rs. 52.09 crore in the immediate preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements 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 cause us to believe that any material uncertainty exists as on the date of this audit report and that the 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 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) There are no unspent amount towards corporate social responsibilities on other ongoing projects requiring transfer to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Hence, reporting under clause xx of paragraph 3 of the Order is not applicable.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

**Snehal Shah**
Partner
Membership No. 048539
UDIN: 26048539OYFHWM9678

# ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT

Place: Mumbai
Date: May 29, 2026

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **Hinduja Global Solutions Limited** on the standalone financial statements for the year ended March 31, 2026]

**Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Hinduja Global Solutions Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements of the Company's branch.

**Management's Responsibility for Internal Financial Control**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditor of the branch located in Philippines in terms of the report referred to in the Other Matters Paragraph below, 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 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

# ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT

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 authorisation 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 controls 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 and based on the consideration of the report of the branch auditor on internal financial controls system over financial reporting of the branch referred to in the Other Matters paragraph below, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a branch located in Philippines is based on the corresponding report of the branch auditor.

Our opinion is not modified in respect of this matter.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

**Snehal Shah**
Partner
Membership No.048539
UDIN: 26048539OYFHWM9678

Place: Mumbai
Date : May 29, 2026

# STANDALONE BALANCE SHEET

**(All amounts are in ₹ Crore)**

| Particulars | | Notes | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| a) | Property, plant and equipment | 2 | 185.45 | 170.53 |
| b) | Right of use assets | 3 | 704.84 | 840.07 |
| c) | Capital work-in-progress | 2 | 5.44 | 2.88 |
| d) | Investment property | 4 | 19.66 | 20.13 |
| e) | Other Intangible assets | 5a | 45.43 | 67.21 |
| f) | Goodwill | 5b | 30.33 | 30.33 |
| g) | Financial assets | | | |
| | (i) Investments | 6a | 742.23 | 865.73 |
| | (ii) Loans | 7 | 323.60 | 674.90 |
| | (ii) Other financial assets | 8 | 59.60 | 79.60 |
| h) | Deferred tax assets (net) | 40 | - | 21.60 |
| i) | Income tax assets (net) | 9a | 285.83 | 264.89 |
| j) | Other non-current assets | 10 | 38.51 | 39.85 |
| **Total non-current assets** | | | **2,440.92** | **3,077.72** |
| **Current assets** | | | | |
| a) | Inventories | 16 | 0.92 | 4.79 |
| b) | Financial assets | | | |
| | (i) Investments | 6b | 125.88 | 1.60 |
| | (ii) Trade receivables | 11 | 493.33 | 348.83 |
| | (iii) Cash and cash equivalents | 12a | 111.08 | 115.38 |
| | (iv) Bank balances other than (iii) above | 12b | 101.06 | 86.02 |
| | (v) Loans | 13 | 542.41 | 536.74 |
| | (vi) Other financial assets | 14 | 34.43 | 53.50 |
| c) | Other Current assets | 15 | 270.57 | 209.00 |
| **Total current assets** | | | **1,679.68** | **1,355.86** |
| **Total assets** | | | **4,120.60** | **4,433.58** |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| a) | Equity share capital | 17 | 46.52 | 46.52 |
| b) | Other equity | | 2,536.63 | 2,694.19 |
| **Total Equity** | | | **2,583.15** | **2,740.71** |
| **Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| a) | Financial Liabilities | | | |
| | (i) Borrowings | 18a | 87.61 | 133.59 |
| | (ii) Lease Liabilities | 19a | 274.77 | 420.47 |
| | (iii) Other non-current financial liabilities | 20 | 7.97 | 0.89 |
| b) | Provisions | 21 | 63.68 | 56.02 |
| c) | Contract Liabilities | 25a | - | 0.34 |
| d) | Deferred tax liabilities (net) | 40 | 5.30 | - |
| **Total non-current liabilities** | | | **439.33** | **611.31** |
| **Current liabilities** | | | | |
| a) | Financial liabilities | | | |
| | (i) Borrowings | 18e | 423.42 | 393.86 |
| | (ii) Lease Liabilities | 19b | 207.05 | 252.76 |
| | (iii) Trade payables | | | |
| | i. Total outstanding dues of micro enterprises and small enterprises | 22 | 4.42 | 2.75 |
| | ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | 22 | 232.15 | 213.26 |
| | (iv) Other financial liabilities | 23 | 151.39 | 153.29 |
| b) | Provisions | 24 | 29.49 | 21.58 |
| c) | Contract Liabilities | 25b | 20.81 | 18.93 |
| d) | Current tax liabilities(net) | 9b | 4.11 | 0.87 |
| e) | Other current liabilities | 26 | 25.28 | 24.26 |
| **Total current liabilities** | | | **1,098.12** | **1,081.56** |
| **Total liabilities** | | | **1,537.45** | **1,692.87** |
| **Total equity and liabilities** | | | **4,120.60** | **4,433.58** |

**See accompanying notes to the financial statements.**

**As per our report of even date**
**For Haribhakti & Co. LLP**
Firm registration no. 103523W / W100048
Chartered Accountants

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Snehal Shah**
Partner
Membership No. 048539

**Pradeep Udhas**
Director
DIN: 02207112
**Place : Mumbai**

**Venkatesh Korla**
Global Chief Executive Officer
**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818
**Place : Mumbai**

**Place : Mumbai**
**Date : May 29, 2026**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer
**Place : Mumbai**
**Date : May 29, 2026**

**Narendra Singh**
Company Secretary
**Place : Mumbai**

# STANDALONE STATEMENT OF PROFIT AND LOSS

**(All amounts are in ₹ Crore, except per share data)**

| | Particulars | Notes | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|---|
| I | Revenue from operations | 27 | 1,827.12 | 1,711.09 |
| II | Other income | 28 | 257.78 | 176.50 |
| **III** | **Total income (I+II)** | | **2,084.90** | **1,887.59** |
| **IV** | **Expenses** | | | |
| | a) Purchases of stock in trade | | 0.22 | 1.01 |
| | b) Changes in Inventories | 29 | 3.87 | 7.59 |
| | c) Employee benefit expense | 30 | 867.68 | 808.80 |
| | d) Finance costs | 31 | 105.13 | 116.70 |
| | e) Depreciation and amortization expenses | 32 | 250.80 | 257.03 |
| | f) Other Expenses | 33 | 981.64 | 939.27 |
| | **Total expenses** | | **2,209.34** | **2,130.40** |
| **V** | **Loss before exceptional items and tax [(I) - (II)]** | | **(124.44)** | **(242.81)** |
| **VI** | **Less: Exceptional items (Refer Note 55)** | | **8.70** | **-** |
| **VII** | **Loss before tax** | | **(133.14)** | **(242.81)** |
| **VIII** | **Income tax expense** | | | |
| | a) Current tax | 39 | 12.16 | 5.45 |
| | b) Deferred tax (credit) / charge | 40 | 28.44 | 73.39 |
| | c) Tax relating to prior years | 39 | (13.16) | 1.13 |
| | **Total tax expense** | | **27.44** | **79.97** |
| **IX** | **Loss for the year** | | **(160.58)** | **(322.78)** |
| **X** | **Other comprehensive income** | | | |
| | **A. Items that will not be reclassified to statement of profit and loss** | | | |
| | Remeasurements of defined benefit plans (net) | | (1.40) | (7.44) |
| | **Net other comprehensive income not to be reclassified to profit and loss in subsequent year (A)** | | **(1.40)** | **(7.44)** |
| | **B. Items that may be reclassified to statement of profit and loss** | | | |
| | a) Effective Portion of designated portion of hedging instruments in a cash flow hedge (net) | | (6.13) | 1.26 |
| | b) Exchange differences in translating the financial statements of foreign operation (net) | | 10.54 | 0.29 |
| | **Net other comprehensive income may be reclassified to profit or loss in subsequent year (B)** | | **4.41** | **1.55** |
| **XI** | **Other comprehensive income for the year, net of taxes [A+B]** | | **3.01** | **(5.88)** |
| **XII** | **Total comprehensive income for the year** | | **(157.57)** | **(328.66)** |
| **XIII** | **Earning per equity share [nominal value per share Rs. 10/- each]** | | | |
| | Basic ( in ₹) | 36 | (34.52) | (69.38) |
| | Diluted ( in ₹) | 36 | (34.52) | (69.38) |

**See accompanying notes to the financial statements.**

**As per our report of even date**
**For Haribhakti & Co. LLP**
Firm registration no. 103523W / W100048
Chartered Accountants

**Snehal Shah**
Partner
Membership No. 048539

**Place : Mumbai**
**Date : May 29, 2026**

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Pradeep Udhas**
Director
DIN: 02207112
**Place : Mumbai**

**Venkatesh Korla**
Global Chief Executive Officer
**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818
**Place : Mumbai**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer
**Place : Mumbai**
**Date : May 29, 2026**

**Narendra Singh**
Company Secretary
**Place : Mumbai**

# STANDALONE STATEMENT OF CHANGES IN EQUITY

**(All amounts are in ₹ Crore)**

## A. Equity Share Capital

| | Amount |
|---|---|
| **Balance as at April 1, 2024** | **46.52** |
| Changes in equity share capital during the year | - |
| **Balance as at March 31, 2025** | **46.52** |
| Changes in equity share capital during the year | - |
| **Balance as at March 31, 2026** | **46.52** |

## B. Other equity

| | Reserves and Surplus | | | Other comprehensive income | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | Capital Redemption Reserve | Capital reserve on merger | Retained Earnings | Foreign currency translation reserve | Cash flow hedging reserve account | Fair valuation of equity instruments | Remeasurements of defined benefit plans | |
| **As at April 1, 2024** | **6.00** | **330.34** | **2,779.20** | **8.87** | **(0.32)** | **0.18** | **(68.69)** | **3,055.56** |
| Loss for the year | - | - | (322.78) | - | - | - | - | (322.78) |
| Total Other Comprehensive Income | - | - | - | 0.29 | 1.26 | - | (7.44) | (5.88) |
| **Total** | **6.00** | **330.34** | **2,456.42** | **9.16** | **0.94** | **0.18** | **(76.13)** | **2,726.90** |
| Transaction with owners in their capacity as owners: | | | | | | | | |
| Additions/ Adjustment during the year | - | - | - | - | - | (0.18) | - | (0.18) |
| Dividends paid | - | - | (32.53) | - | - | - | - | (32.53) |
| **As at March 31, 2025** | **6.00** | **330.34** | **2,423.89** | **9.16** | **0.94** | **-** | **(76.13)** | **2,694.19** |
| Loss for the year | - | - | (160.58) | - | - | - | - | (160.58) |
| Total Other Comprehensive Income | - | - | - | 10.54 | (6.13) | | (1.40) | 3.01 |
| **Total** | **6.00** | **330.34** | **2,263.31** | **19.70** | **(5.19)** | **-** | **(77.53)** | **2,536.63** |
| Transaction with owners in their capacity as owners: | | | | | | | | |
| Dividends paid | - | - | - | - | - | - | - | - |
| **As at March 31, 2026** | **6.00** | **330.34** | **2,263.31** | **19.70** | **(5.19)** | **-** | **(77.53)** | **2,536.63** |

# STANDALONE STATEMENT OF CHANGES IN EQUITY

**(All amounts are in ₹ Crore)**

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges

| | As at | |
|---|---|---|
| | **March 31, 2026** | **March 31, 2025** |
| Balance as at the beginning of the year | 0.98 | (0.38) |
| Changes in fair value of effective portion of derivatives | (11.38) | (0.72) |
| Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged transactions | 3.49 | 2.07 |
| **Balance as at the end of the year** | **(6.91)** | **0.98** |
| Deferred tax thereon | 1.72 | (0.04) |
| **Balance as at the end of the year, net of deferred tax** | **(5.19)** | **0.94** |

**Nature and purpose of reserves**

**Capital Reserve on Merger**

Capital reserve amounting to ₹ 0.39 crore, ₹13.99 crore, ₹ (13.41) crore and ₹ 329.37 crore was created upon acquisition of Business of Mphasis limited & Msource India private limited , merger of HGS International Services Private Limited with HGS Business services Private Limited, merger of HGS International Services Private Limited with Hinduja Global Solutions Limited effective from 01.04.2017 and Merger of Digital, Media & Communication business of NXT Digital with Hinduja Global Solutions Limited effective from 01.02.2022 respectively . The reserve has restriction for use.

**Cash flow hedging reserve**

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale, as described within note 46. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges.

To the extent these hedges are effective; the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amounts recognized in the cash flow hedging reserve is reclassified to statement of profit and loss when the hedged item affects profit and loss.

**Foreign currency translation reserve**

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency i.e. indian rupee (₹) are recognized directly in other comprehensive income and accumulated in Foreign currency translation reserve.

# STANDALONE CASH FLOW STATEMENT

**(All amounts are in ₹ Crore)**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Cash Flow from Operating Activities** | | |
| Loss before tax | (133.14) | (242.81) |
| **Profit before tax** | **(133.14)** | **(242.81)** |
| Adjustments for: | | |
| Depreciation and amortization expenses | 250.80 | 257.03 |
| Net Loss/(Gain) on fair valuation and sale of investments | (0.54) | (0.49) |
| Allowance for bad and doubtful debts/ advances | 22.21 | 12.32 |
| (Gain)/Loss on disposal of property, plant and equipment and Write-off | 0.01 | 1.99 |
| Dividend Income | (0.68) | (1.20) |
| Lease Income | (17.61) | (25.71) |
| Liabilities/ Provision no longer required written-back | (6.26) | (4.34) |
| Unwinding of discount on security deposits | (11.83) | (4.98) |
| Interest income classified as investing cash flows | (82.60) | (96.67) |
| Gain on termination of leases | - | (0.22) |
| Finance costs | 105.13 | 116.70 |
| Bad debts | 2.07 | 5.68 |
| Net exchange differences | (44.13) | (18.64) |
| **Change in operating assets and liabilities:** | | |
| Decrease/ (Increase) in trade receivables | (177.51) | 10.34 |
| Decrease/ (Increase) in Inventories | 3.87 | 7.59 |
| Decrease/ (Increase) in other financial assets | 42.32 | (4.89) |
| Decrease/ (Increase) in other assets | (37.94) | (106.04) |
| Increase/ (Decrease) in trade payables | 37.43 | 66.05 |
| Increase/ (Decrease) in other financial liabilities | 10.28 | (18.58) |
| Increase/ (Decrease) in provisions | 29.05 | 0.94 |
| Increase/ (Decrease) in other liabilities | 2.56 | (4.20) |
| **Cash generated from operations** | **(6.51)** | **(50.13)** |
| Income taxes paid | (28.10) | (71.57) |
| **Net cash outflow from operating activities** | **(34.61)** | **(121.70)** |
| **Cash flows from investing activities** | | |
| Payments for property, plant and equipment | (29.82) | (47.89) |
| Proceeds from sale of property, plant and equipment | 1.13 | 37.90 |
| Cash proceeds/(Payments) for purchase of investments | (0.83) | (4.24) |
| (Increase)/ Decrease in other bank balances | (15.16) | (13.97) |
| Dividends received | 0.68 | 1.20 |
| Lease Income | 17.61 | 25.71 |
| Loans repaid | 941.43 | 784.29 |
| Loans given | (550.51) | (497.54) |
| Interest received | 78.46 | 96.79 |
| **Net cash outflow from investing activities** | **442.99** | **382.25** |

# STANDALONE CASH FLOW STATEMENT

**(All amounts are in ₹ Crore)**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Cash flows from financing activities | | |
| Proceeds from borrowings | 902.59 | 953.62 |
| Repayment of borrowings | (919.01) | (824.31) |
| Repayment of Lease liability | (301.71) | (323.56) |
| Interest paid | (94.85) | (117.13) |
| Dividends paid | (1.00) | (28.38) |
| **Net cash outflow from financing activities** | **(413.98)** | **(339.76)** |
| **Net increase/ (decrease) in cash and cash equivalents** | **(5.61)** | **(79.21)** |
| Cash and cash equivalents at the beginning of the financial year | 115.38 | 194.76 |
| Effects of exchange rate changes on cash and cash equivalents | 1.30 | (0.17) |
| **Cash and cash equivalents at end of the year** | **111.08** | **115.38** |
| **Balances per statement of cash flows ( Refer Note 12 (a))** | **111.08** | **115.38** |

Reconciliation of borrowings as disclosed in financing activities and Note 18 & 19 to the financial statements:

| Particulars | As at April 1, 2025 | Cash Changes | | Non Cash Changes | | | As at March 31, 2026 |
|---|---|---|---|---|---|---|---|
| | | Repayment | Proceeds | IND AS 116 Amendment | Net additions/ Deletion to Lease liabilities | Exchange difference/ FCTR | |
| Borrowings | **342.45** | (565.01) | 554.59 | - | - | - | **332.03** |
| Bank Overdrafts | **185.00** | (354.00) | 348.00 | - | - | - | **179.00** |
| Lease liabilities | **673.23** | (301.71) | - | - | 108.00 | 2.30 | **481.82** |

| Particulars | As at April 1, 2024 | Cash Changes | | Non Cash Changes | | | As at March 31, 2025 |
|---|---|---|---|---|---|---|---|
| | | Repayment | Proceeds | IND AS 116 Amendment | Net additions/ Deletion to Lease liabilities | Exchange difference/ FCTR | |
| Borrowings | **208.14** | (459.31) | 593.62 | - | | - | **342.45** |
| Bank Overdrafts | **190.00** | (365.00) | 360.00 | - | - | - | **185.00** |
| Lease liabilities | **623.01** | (323.56) | - | - | 371.66 | 2.12 | **673.23** |

**See accompanying notes to the financial statements.**

**As per our report of even date**
**For Haribhakti & Co. LLP**
Firm registration no. 103523W / W100048
Chartered Accountants

**Snehal Shah**
Partner
Membership No. 048539

**Place : Mumbai**
**Date : May 29, 2026**

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Pradeep Udhas**
Director
DIN: 02207112
**Place : Mumbai**

**Venkatesh Korla**
Global Chief Executive Officer
**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818
**Place : Mumbai**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer
**Place : Mumbai**
**Date : May 29, 2026**

**Narendra Singh**
Company Secretary
**Place : Mumbai**

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 1 Background

“Hinduja Global Solutions Limited (“HGS” or the “Company”) is a public limited Company, domiciled in India and it’s incorporated under the provisions of The Companies Act 1956 and is engaged in Business Process Management and Media and Communication business. Business Process Management segment offer voice and non-voice based services such as contact center solutions and back office transaction processing across America, Canada, Europe, Asia and Middle East. HGS’ Digital, Media & Communications business, is India’s premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns. Its ordinary shares (equity) are listed on the two registered stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) . The address of its registered office is 1st Floor, Tata Communications Complex, Plot C-21, G Block, Tower C , Bandra Kurla Complex, Bandra East, Mumbai – 400 051.

These Standalone financial statements were authorized to be approved by the Board of Directors on May 29, 2026

**Material accounting Policy Information**

**a Basis of preparation of standalone financial statements**

“These standalone financial statements (“”financial statements””) have been prepared in accordance with Indian Accounting Standards ( Ind AS) notified under section 133 of Companies Act 2013, as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements correspond to the classification provisions contained in Ind AS 1, “Presentation of Financial Statements”. For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the standalone financial statements, where applicable.

Accounting policies have been applied consistently to all periods presented in these standalone financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2025

. All amounts included in the financial statements are reported in Crore of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

This note provides a list of the material accounting policy Information adopted in the preparation of these standalone financial statements.

**(i) Basis of Measurement**

The standalone financial statements have been prepared on a historical cost convention and accrual basis, except for the following:

a. certain financial assets and liabilities (including derivative instruments) that are measured at fair value;

b. The defined benefit liability / (Asset) is recognised as the present value of defined benefit obligation less fair value of plan assets.; and

c. Share-based payments

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. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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.

All assets and liabilities have been classified as current or non-current as per Company normal operating cycle and presented as per criteria set out in the Division II format of Schedule III to the Act. The Company has identified its operating cycle as twelve months.

## b Use of estimates and judgements

The preparation of these standalone financial statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the standalone financial statements that are subject to measurement uncertainty. An accounting policy may require items in standalone financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to the accounting estimates are recognized in the period in which the estimates are changed and in any future period affected. In particular, information about material areas of estimation, uncertainty and critical judgement in applying accounting policies that have the material effect on the amounts recognized in the standalone financial statements are included in the following areas. “

**i) Estimation of provisions & contingent liabilities.**

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements. (Refer note 21, 24 and 35)

**ii) Estimation of defined benefit plans**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 41 for the details of the assumptions used in estimating the defined benefit obligation.

**iii) Useful lives of property, plant and equipment**

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. 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. The estimated useful life is reviewed at least annually.

**iv) Income taxes**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

**v) Deferred taxes**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**vi) Impairment testing**

Investments in subsidiaries are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

Goodwill is required to be assessed for impairment for every Cash Generating Unit (CGU) on a yearly basis. For the purposes of the same, the Company calculates the recoverable amount of the CGU. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of the CGU is based on discounted cash flow model. The cash flows are derived from the budget for the future years. The recoverable amount is sensitive to the discount rates used in discounted cash flow model as well as growth rate used for estimate and involves use of significant estimates and assumptions including turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer note 38 for the details of assumptions used in estimation of impairment of goodwill.

**vii) Revenue**

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the Company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Company estimates the unbilled receivables (representing revenues recognized for services rendered between the last billing date and the balance sheet date), discounts, incentives, performance bonuses, etc. based on estimates of performance obligations satisfied and historical experience.

**viii) Leases**

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

i) Identifying whether a contract (or part of a contract) includes a lease;

ii) Determining whether it is reasonably certain that an extension or termination option will be exercised;

iii) Classification of lease agreements (when the entity is a lessor);

iv) Determination of whether variable payments are in-substance fixed;

v) Establishing whether there are multiple leases in an arrangement;

vi) Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

i) Estimation of the lease term;

ii) Determination of the appropriate rate to discount the lease payments;

iii) Assessment of whether a right-of-use asset is impaired.

**ix) Business combinations:**

In accounting for business combinations, judgment is required to assess whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

**x) Useful lives of intangible assets:**

The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

**xi) Other estimates**

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. Accounting of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

## c Foreign currency translation

**(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Indian Rupees (₹), which is Company's functional and presentation currency

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

**(iii) Foreign operations**

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a. assets and liabilities are translated at the closing rate at the date of balance sheet.

b. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c. All resulting exchange differences are recognized in other comprehensive income.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## d Revenue from contracts with customers

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" which sets forth a single comprehensive model for recognising and reporting revenues.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services in the normal course of business.

Revenue is measured at the transaction price of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

To recognise revenues, we apply the following five step approach:

(1) identify the contract with a customer,

(2) identify the performance obligations in the contract,

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract and

(5) recognise revenues when a performance obligation is satisfied.

**i) Business process management services.**

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

**Nature of the services**

The Company derives its revenue from business process management (BPM) which includes services like back office processing, contact center and HRO solutions. The Company provides BPM services, which typically involve claim processing and call center services for healthcare industry, call center services for telecom industry, which it administers and manages those services for its client on an ongoing basis. The Company combines technology powered services in automation, analytics and digital with domain expertise focusing on back office processing, contract centers and HRO solutions to deliver transformational impact to clients.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

**A. Time and Material contracts**

Revenue from time and material transactions and outcome based contracts are recognised as the services are performed.

**B. Fixed price contracts**

In respect of fixed-price contracts, where performance obligations are satisfied over a period of time, revenue is recognised by means of percentage of completion method. Under this method, revenue is recognised by applying the percentage of completion on the transaction price.

Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

C. **Contract Asset and Liabilities**

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Company presents such receivables as part of trade receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

D. **Remaining Performance Obligations**

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognised which includes unearned revenue and amounts that will be invoiced and recognised as revenue in future periods. Applying the practical expedient, the Company has not disclosed its right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date which are, contracts invoiced on time and material basis and volume based.

E. **Others**

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone 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 stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Company expects to recover these costs and amortised over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the services before it is transferred to the customer. If Company controls the services before it is transferred to the customer, Company is the principal; if not, the Company is the agent.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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The Company has concluded that it falls under the definition of principal for all its contracts relating to business service division. Since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer, hence, the Company recognises the revenue earned from such contracts on gross basis in its books of accounts.

Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

**F. Reconciliation of revenue recognised**

The Company recognises Volume discounts, Penalties and Incentives against each transaction price as per the terms of the contract with the customer, the disclosures related to the reconciliation of revenue recognised with the transaction price have not been provided as the same is not material to the Company.

**ii) Media and Communication business**

**Performance obligations**

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Ind AS 115.The performance obligations of the Company are satisfied over time as services are rendered.

**Determination of transaction price**

Revenue is measured based on transaction price which includes variable consideration only to the extent it is probable that a significant reversal of revenues recognised will not occur when the uncertainty associated with the variable consideration is resolved. Revenues also exclude taxes collected from customers.

**Allocation of transaction price**

A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the adjusted market assessment approach, under which the Company evaluates the price in that market that a customer is willing to pay for those services. While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as we sell those performance obligations unaccompanied by other performance obligations.

**Lease Income - Optic Fibre Cable**

The policy for recognition of revenue from operating leases is described in 1.g below

**Installation revenue**

Installation revenue on Set Top Boxes (STBs) is recognised over the estimated period of customer relationships. Revenue is recognised on satisfaction of performance obligation upon transfer of promised products or services in an amount that reflects the consideration which the Company expects to receive in exchange of those products and services. Installation revenue on Set Top Boxes (STBs) is deferred and is recognised over the estimated period of customer relationship. Amount billed for services as per contractual terms but not recognised as revenue, is shown as income received in advance under other deferred income. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for providing services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Revenue in excess of invoicing are disclosed as contracts assets ("unbilled receivables") and invoicing in excess of revenues are disclosed as contract liabilities.

**Rendering of other services**

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured.

### e Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and adjustment for unused tax losses.

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its branch operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

### f Deferred taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences, unused tax losses and MAT credit entitlements only if it is probable that future taxable amounts will be available to utilize those temporary differences, losses and credits."

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in branches where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is recognized in other comprehensive income or directly in equity, respectively.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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The Company has thus disclosed the Income Tax Assets/ Liabilities on a net basis to the extent that the same is settled within the same tax jurisdictions, which is in line with Accounting statements prescribed under Ind AS 12- Income Taxes.

## g Leases

**As a lessee**

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment, Set top boxes and furnitures. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

(a) control the use of an identified asset,

(b) obtain substantially all the economic benefits from use of the identified asset, and

(c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. This expense is presented within 'other expenses' in statement of profit and loss.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability payments are classified as cash used in financing activities in the Statement of cash flows.

**Lease Liabilities:**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

i) fixed lease payments (including in-substance fixed payments), less any lease incentives;

ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

iii) the amount expected to be payable by the lessee under residual value guarantees;

iv) he exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability payments are classified as cash used in financing activities in the Statement of cash flows.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

**Right-of-Use Assets (ROU):**

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. Prepaid lease payments (including the difference between nominal amount of the deposit and the fair value) are also included in the initial carrying amount of the right of use asset. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the standalone financial statements.

The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below

The Company incurs obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease. the Company has assessed that such restoration costs are negligible and hence no provision under Ind-AS 37 has been recognised.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit and loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient."

The Company's lease asset classes Digital, Media and Communication segment consist of leases for Plant and Machinery, Set top boxes and Transponder. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Assets leased out under operating leases are capitalised. Rental income from operating lease is recognised on a straight-line basis over the lease term. Rental income, based on agreement, is recognised based on product of number of pairs of dark fibre assets leased out and length of dark fibre assets leased out (in kilometres) and the rate at which lease rent is charged per pair per kilometre of dark fibre assets including minimum guarantee lease rental.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term

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if there is a change in the non-cancellable period of a lease.

**The Company as a lessor**

Leases under which the Company is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating lease. For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

## h Impairment

### i) Impairment of non financial assets

The Company assesses long-lived assets such as property, plant and equipment, ROU assets and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets. Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than it's carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal ("FVLCD") and its value-in-use ("VIU"). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs 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. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

### ii) Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on trade receivables including unbilled receivables measured at amortized cost, Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

### iii) 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 ("FVLCD") 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.

### i Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with bank in current accounts, Exchange Earners Foreign Currency (EEFC) Accounts, other short-term, highly liquid deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### j Trade receivables

Trade receivables are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

### k Contract balances

**Contract Asset**

A contract asset is right to consideration in exchange of services that the company has rendered to a customer when that right is conditioned on something other than passage of time. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

**Contract Liability**

A contract liability is the obligation to render services to a customer for which the company has received consideration from the customer. If a customer pays consideration before the company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company renders services as per the contract.

### l Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

### m Investments and other financial assets

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

a. those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and

b. those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**(iii) Derecognition of financial assets**

A financial asset is derecognized only when

a. The Company has transferred the rights to receive cash flows from the financial asset or

b. Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**iv) Investments in equity instruments:**

The Company carries certain equity instruments which are not held for trading. At initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income (FVTOCI) or through statement of profit and loss (FVTPL). For investments designated to be classified as FVTOCI, movements in fair value of investments are recognised in other comprehensive income and the gain or loss is not transferred to statement of profit and loss on disposal of investments. For investments designated to be classified as FVTPL, both movements in fair value of investments and gain or loss on disposal of investments are recognised in the statement of profit and loss.

Dividends from these investments are recognised in the statement of profit and loss when the Company's right to receive dividends is established.

**v) Investments in subsidiaries:**

Investment in equity instruments of subsidiaries are measured at cost less impairment. Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

**vi) Other financial assets:**

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise finance lease receivables, employee and other advances and other eligible current and non-current assets.

**(vii) Income recognition**

**Interest income:**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

**Dividends:**

Dividends are recognized in statement of profit and loss only when the right to receive payment 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.

### n Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

**(i) Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss, within other income.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to statement of profit and loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in statement of profit and loss at the time of the hedge relationship rebalancing.

**(ii) Others**

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

o **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

p **Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation / amortisation and accumulated impairment loss if any. Cost includes freight, duties, taxes, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Set Top Boxes (‘STBs’) issued to customers are capitalized at moving average price on issuance / installation. Spares that do not meet the definition of property, plant and equipment and do not satisfy the criteria of Ind AS 16 are charged off to the Statement of profit and loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

**Capital work in progress**

The Set Top Boxes (‘STBs’) which are not issued to customers are recorded as Capital work-in-progress at moving average price issued. Certain encoders and other plant and machinery not installed at the customer premises are categorised under Capital work-in-progress until installed and ready for intended use.

The cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

<u>Depreciation methods, estimated useful lives and residual value</u>

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

| **Particulars** | **Useful life** |
|---|---|
| Plant and machinery | 6-18 years |
| Set Top Boxes | 6.67 years |
| Leasehold building and Leasehold improvement | Over the period of Lease |
| Building | Upto 60 years |
| Office Equipment | Upto 7 years |
| Computers | Upto 6 years |
| Furniture and Fixtures | Upto 10 years |
| Vehicles | 8 years |

Assets costing less than ₹ 5000 each, except for Set Top Boxes, are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

Assets given to employees on contractual obligations are depreciated to the extent of 50% of the value over a period of four years, at the end of which these assets are transferred to the respective employees at the residual book value.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of profit and loss within other income/ expenses.

**Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any. Depreciation on building is provided over it's useful life using the straight-line method, in a manner similar to Property, plant and equipment.

## q Business combinations and Goodwill

**a) Business combinations:**

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed, and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred. The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

In respect of common control business combinations, accounting is done as per pooling of interest method in accordance with Part C of Ind AS 103 - Business Combination.

**b) Goodwill:**

The excess of the cost of an acquisition over the Company’s share in the fair value of the acquiree’s identifiable assets and liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any). Goodwill associated with disposal of an operation that is part of cash-generating unit is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless some other method better reflects the goodwill associated with the operation disposed of.

## r Other Intangible assets

Costs associated with maintaining software programs are recognized as an expense as incurred.

Costs associated with acquisition of intangible assets is capitalized when it is controlled by entity and probable future economic benefits are expected to flow.

**Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**Amortization methods and periods**

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

| Particulars | Useful life |
|---|---|
| Computer software | 3 to 6 years |
| Computer Software (Acquired) | 6 years |
| Network rights | 10 years |
| Licence fees | 10 years |

Gains or Losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the Statement of Profit and Loss.

The company incurs certain costs including discounts on packs provided to new subscribers. These costs have been treated as the customer acquisition cost and therefore capitalized as Other Intangible Assets. The assets are amortized over the period of customer's life cycle i.e. 48 months.

## s Impairment of tangible and intangible assets

At the end of each reporting period, the Company determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognized, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## t Inventory

Inventory (network cable and equipment and other media inventory), consisting of cables, head-end equipment and other network items like modems etc., are valued at lower of cost and net realizable value. Cost includes all expenses incurred to bring the inventory to its present location and condition. Cost is determined on a weighted average basis.

## u Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

## v Borrowings

Borrowings are initially recognised at Amortised cost, net of transaction cost incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss.

## w Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

## x Employee benefits

**(i) Short-term obligations**

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

**(ii) Other long-term employee benefit obligations**

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

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and Pension;

(b) defined contribution plans such as provident fund.

**Defined benefit obligation**

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

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. These plans are partially funded and managed by the third-party fund managers.

The Company also maintains pension and similar plans for employees outside India, based on country specific regulations. These plans are partially funded, and the funds are managed by third party fund managers. The plans provide for monthly payout after retirement as per salary drawn and service period or for a lumpsum payment as set out in rules of each fund.

The present value of the defined benefit obligation denominated in ₹ 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. The benefits which are denominated in currency other than ₹, the cash flows are discounted using market yields determined by reference to government bond that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**Defined contribution plans**

The Company pays contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Superannuation Fund applicable to certain employees, constitutes an insured benefit, which is classified as a defined contribution plan as the Company makes contributions to an insurance Company and has no further obligation beyond making the payment to the insurance Company.

**(iv) Share-based payments**

Share-based compensation benefits are provided to employees via the Hinduja Global Solutions Limited Employee Stock Option Plan.

**Employee options**

The fair value of options granted under the Hinduja Global Solutions Limited Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

**(v) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## y Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in Other equity as a deduction, net of tax, from the proceeds.

## z Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## za Earnings per share

**(i) Basic earning per share**

Basic earnings per share is calculated by dividing:

a. the profit attributable to owners of the Company

b. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**(ii) Diluted earning per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## zb Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of carrying amount or fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain is recognized for any subsequent increase in the fair value less cost to sell of any asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-Current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the asset of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of a single co-ordinated plan to dispose of such line of business or area of business of operations, or is a subsidiary acquired exclusively with a view of resale. The result of discontinued operations are presented separately in the statement of profit and loss.

## zc Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors of the Company has been identified as CODM which also consists of key managerial personnel of the Company. Refer note 52 for segment information.

## zd Subsequent events

The Company evaluates all transactions and events that occur after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements, except as disclosed.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**ze Rounding off amounts**

All amounts disclosed in the financial statements and notes have been rounded off to nearest Crore as per the requirement of schedule III unless otherwise stated.

**zf New Accounting standards adopted by the Company during year**

The Company has adopted the amendments to the Indian accounting standards w.e.f April 1, 2025 and the adoption of these new amendments did not have any material impact on the standalone statement of profit and loss for the year ended March 31, 2026.

**zg New Accounting standards not yet adopted by the Company**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Standalone financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107,Financial Instruments - Disclosures, applicable w.e.f April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Standalone financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.
4. Treatment to Lendor Waiver – Amendments to Ind AS 1 — This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively. These provisions relate to the treatment of lender waivers granted after the reporting date but before the financial statements are approved for issue. Under the amended requirements, such waivers will no longer be permitted to be considered for the purpose of classification of loans. The Company does not expect this amendment to have an impact on its Standalone financial statements.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 2 Property, Plant and Equipment

| | Land | Furniture and Fixtures | Vehicles | Office Equipment | Computers | Plant and equipment | Set top boxes (STB) | Leasehold Improvements | Total | Capital work-in-progress |
|---|---|---|---|---|---|---|---|---|---|---|
| Year ended March 31, 2025 | | | | | | | | | | |
| **Gross carrying amount** | **1.01** | **9.40** | **5.66** | **3.47** | **118.89** | **242.71** | **189.17** | **48.35** | **618.66** | **3.46** |
| Additions | - | 0.46 | 0.29 | 2.37 | 10.38 | 3.30 | 17.65 | 2.82 | 37.27 | 15.05 |
| Effect of Foreign currency differences | - | 0.01 | 0.01 | 0.01 | 0.48 | - | - | 0.08 | 0.59 | - |
| Disposals | - | (3.71) | - | (1.73) | (18.81) | (21.21) | (10.08) | (10.31) | (65.84) | (15.63) |
| **Gross carrying amount** | **1.01** | **6.16** | **5.96** | **4.14** | **110.94** | **224.80** | **196.74** | **40.94** | **590.68** | **2.88** |
| **Accumulated depreciation** | - | **7.80** | **3.64** | **1.01** | **86.52** | **149.33** | **138.63** | **32.12** | **419.05** | - |
| Depreciation | - | 0.35 | 0.67 | 0.98 | 18.05 | 18.21 | 17.45 | **10.15** | **65.86** | - |
| Effect of Foreign currency differences | - | (0.01) | (0.01) | (0.01) | (0.12) | - | - | **(0.07)** | **(0.22)** | - |
| Disposals* | - | (3.52) | (0.39) | (1.72) | (16.49) | (21.09) | (10.08) | **(11.24)** | **(64.54)** | - |
| **Accumulated depreciation** | - | **4.62** | **3.91** | **0.26** | **87.96** | **146.45** | **146.00** | **30.96** | **420.15** | - |
| **Net carrying amount as at March 31, 2025@** | **1.01** | **1.54** | **2.05** | **3.88** | **22.98** | **78.35** | **50.74** | **9.98** | **170.53** | **2.88** |
| Year ended March 31, 2026 | | | | | | | | | | |
| **Gross carrying amount** | **1.01** | **6.16** | **5.96** | **4.14** | **110.94** | **224.80** | **196.74** | **40.94** | **590.68** | **2.88** |
| Additions | - | 0.30 | - | 0.65 | 11.26 | 1.83 | 53.85 | 0.56 | 68.45 | 6.26 |
| Effect of Foreign currency differences | - | 0.06 | 0.07 | 0.06 | 2.73 | - | - | 0.51 | 3.43 | - |
| Disposals | - | (0.09) | (0.65) | (0.04) | (2.02) | (0.17) | (16.28) | - | (19.25) | (3.70) |
| **Gross carrying amount** | **1.01** | **6.43** | **5.38** | **4.81** | **122.91** | **226.46** | **234.31** | **42.01** | **643.32** | **5.44** |
| **Accumulated depreciation** | - | **4.62** | **3.91** | **0.26** | **87.96** | **146.45** | **146.00** | **30.96** | **420.15** | - |
| Depreciation | - | 0.32 | 0.61 | 1.31 | 13.73 | 17.55 | 17.56 | 3.75 | 54.83 | - |
| Effect of Foreign currency differences | - | 0.05 | 0.03 | 0.05 | 1.24 | - | - | 0.31 | 1.68 | - |
| Transfer | - | - | - | 0.07 | 0.01 | (3.85) | 3.77 | - | - | - |
| Disposals | - | (0.04) | (0.40) | (0.04) | (2.00) | (0.04) | (16.28) | - | (18.80) | - |
| **Accumulated depreciation** | - | **4.94** | **4.14** | **1.65** | **100.95** | **160.10** | **151.05** | **35.03** | **457.87** | - |
| **Net carrying amount as at March 31, 2026@** | **1.01** | **1.50** | **1.25** | **3.16** | **21.96** | **66.36** | **83.26** | **6.97** | **185.45** | **5.44** |

Note: The Company has not revalued any of Property, Plant and Equipment.

@ Refer Note 37

**Capital work-in-progress (CWIP) aging schedule- Property, Plant and Equipment - March 31, 2026**

| Particulars | Amount in Capital work-in-progress for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 4.86 | 0.58 | - | - | **5.44** |
| (ii) Projects temporarily suspended | - | - | - | - | **-** |

**Capital work-in-progress (CWIP) aging schedule- Property, Plant and Equipment - March 31, 2025**

| Particulars | Amount in Capital work-in-progress for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 1.91 | 0.97 | | - | **2.88** |
| (ii) Projects temporarily suspended | - | - | - | - | **-** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 3 Right of use assets

| | Category of Right of use assets | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Building | Office equipments | Set top boxes (STB)* | Plant & Equipment | Server | Transponder | |
| **Total carrying amount as at April 1, 2024** | **342.56** | **-** | **568.01** | **60.55** | **-** | **132.59** | **1,103.71** |
| Additions | 63.20 | - | 37.41 | 252.93 | - | - | 353.53 |
| Effect of Foreign currency differences | 0.95 | - | - | - | - | - | 0.95 |
| Disposals | (39.55) | - | (59.34) | - | - | - | (98.89) |
| **Gross carrying amount** | **367.15** | **-** | **546.08** | **313.48** | **-** | **132.59** | **1,359.30** |
| **Accumulated depreciation** | **188.77** | **-** | **155.42** | **22.96** | **-** | **64.68** | **431.83** |
| Depreciation | 44.96 | - | 74.56 | 28.66 | - | 17.99 | 166.17 |
| Effect of Foreign currency differences | 1.74 | - | - | - | - | - | 1.74 |
| Disposals | (34.44) | - | (41.51) | (4.56) | - | - | (80.51) |
| **Accumulated depreciation** | **201.03** | **-** | **188.47** | **47.06** | **-** | **82.67** | **519.23** |
| **Net carrying amount as at March 31, 2025** | **166.12** | **-** | **357.61** | **266.42** | **-** | **49.92** | **840.07** |
| **Total carrying amount as at April 1, 2025** | **367.15** | **-** | **546.08** | **313.48** | **-** | **132.59** | **1,359.30** |
| Additions | 38.50 | 17.86 | 28.48 | 2.59 | 0.20 | - | 87.63 |
| Effect of Foreign currency differences | 5.57 | - | - | - | - | - | 5.57 |
| Disposals | (59.12) | 0.17 | (120.52) | - | - | - | (179.47) |
| **Gross carrying amount** | **352.10** | **18.03** | **454.04** | **316.07** | **0.20** | **132.59** | **1,273.03** |
| **Accumulated depreciation** | **201.03** | **-** | **188.47** | **47.06** | **-** | **82.67** | **519.23** |
| Depreciation | 55.04 | - | 67.82 | 28.80 | - | 17.78 | 169.44 |
| Effect of Foreign currency differences | 3.25 | - | - | - | - | - | 3.25 |
| Disposals | (58.72) | - | (63.53) | (1.48) | - | - | (123.73) |
| **Accumulated depreciation** | **200.60** | **-** | **192.76** | **74.38** | **-** | **100.45** | **568.19** |
| **Net carrying amount as at March 31, 2026** | **151.50** | **18.03** | **261.28** | **241.69** | **0.20** | **32.14** | **704.84** |

* Refer Note 47 for Leases

## 4 Investment property

**Reconciliation of carrying amount**

| **Particulars** | **Investment property** |
|---|---|
| Year ended March 31, 2025 | |
| **Total carrying amount as at April 1, 2024** | **24.77** |
| Additions | - |
| **Gross carrying amount** | **24.77** |
| Accumulated depreciation | 4.17 |
| Depreciation for the year | 0.47 |
| **Accumulated depreciation** | **4.64** |
| **Net carrying amount as at March 31, 2025** | **20.13** |
| **Fair value*** | |
| **As at March 31, 2025** | **37.32** |
| Year ended March 31, 2026 | |
| **Total carrying amount as at April 1, 2025** | **24.77** |
| Additions | - |
| **Gross carrying amount** | **24.77** |
| Accumulated depreciation | 4.64 |
| Depreciation for the year | 0.47 |
| **Accumulated depreciation** | **5.11** |
| **Net carrying amount as at March 31, 2026** | **19.66** |
| **Fair value*** | |
| **As at March 31, 2026** | **41.08** |

*The fair value of investment property was determined by an accredited external independent property valuer. The said property valuer is a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

**i) Amounts recognised in Statement of profit or loss**

Rental income recognised by the Company during the year ended 31 March 2026 was Rs Nil (31 March 2025: Rs 3.50 Crore) and was included in 'Other income' (see Note 28). Repairs and maintenance expense, included in 'other expenses' (see Note 33), was as follows.

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| a) Rental income derived from investment properties | - | 3.50 |
| b) Direct operating expenses (including repairs and maintenance) generating rental income | - | - |
| **Income arising from investment properties before depreciation** | **-** | **3.50** |
| Depreciation | 0.47 | 0.47 |
| **Income / (loss) arising from investment properties (Net)** | **(0.47)** | **3.03** |

## 5a Other Intangible assets

| | Computer Software | Network Rights | License Fee | Other Intangibles | Total |
|---|---|---|---|---|---|
| <u>Year ended March 31, 2025</u> | | | | | |
| **Gross carrying amount** | **149.52** | **58.77** | **17.72** | **29.84** | **255.85** |
| Additions | 5.93 | 4.77 | - | - | **10.70** |
| Effect of Foreign currency differences | 0.22 | - | - | - | **0.22** |
| Disposals | (14.30) | - | - | - | **(14.30)** |
| **Gross Carrying amount** | **141.37** | **63.54** | **17.72** | **29.84** | **252.47** |
| **Accumulated amortisation** | **120.11** | **31.95** | **8.86** | **13.73** | **174.65** |
| Amortisation (Refer Note 1) | 11.95 | 6.64 | 1.02 | 4.93 | **24.53** |
| Effect of Foreign currency differences | (0.21) | - | - | - | **(0.21)** |
| Disposals | (13.71) | - | - | - | **(13.71)** |
| **Accumulated amortisation** | **118.13** | **38.59** | **9.88** | **18.66** | **185.26** |
| **Net carrying amount as at March 31, 2025** | **23.24** | **24.95** | **7.84** | **11.18** | **67.21** |
| <u>Year ended March 31, 2026</u> | | | | | |
| **Gross carrying amount** | **141.37** | **63.54** | **17.72** | **29.84** | **252.46** |
| Additions | 3.69 | 0.45 | - | - | **4.14** |
| Effect of Foreign currency differences | 1.31 | - | - | - | **1.31** |
| Disposals | - | - | - | - | **-** |
| **Gross Carrying amount** | **146.37** | **63.99** | **17.72** | **29.84** | **257.91** |
| **Accumulated amortisation** | **118.13** | **38.59** | **9.88** | **18.66** | **185.26** |
| Amortisation (Refer Note 1) | 10.95 | 4.99 | 3.30 | 6.82 | **26.06** |
| Effect of Foreign currency differences | 1.19 | - | - | - | **1.19** |
| Transfer/Adjustments | 0.03 | (0.03) | - | - | **-** |
| Disposals | - | (0.03) | - | - | **(0.03)** |
| **Accumulated amortisation** | **130.30** | **43.52** | **13.18** | **25.48** | **212.48** |
| **Net carrying amount as at March 31, 2026** | **16.07** | **20.47** | **4.54** | **4.36** | **45.43** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**Note 1:** The Company has revised the useful life of Customer Acquisition Cost from 4.5 years to 4 years based on its internal assessment. In the previous year, the Company had revised the useful life from 5 years to 4.5 years based on a technical evaluation conducted by an independent valuer.

Consequently, an additional amortization/depreciation charge of ₹1.34 crore (Previous Year: ₹0.51 crore) has been recognized in the financial statements.

**Intangible assets under development aging schedule As at March 31, 2026**

| Particulars | Amount in Intangible assets under development for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | - | - | - | - | - |
| (ii) Projects temporarily suspended | - | - | - | - | - |

**Intangible assets under development aging schedule As at March 31, 2025**

| Particulars | Amount in Intangible assets under development for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | - | - | - | - | - |
| (ii) Projects temporarily suspended | - | - | - | - | - |

## 5b Goodwill (Refer Note 38)

| Particulars | Goodwill |
|---|---|
| **Year ended March 31, 2025** | |
| Gross carrying amount | **30.33** |
| Additions | - |
| Impairment | - |
| **Gross carrying amount** | **30.33** |
| **Net carrying amount as at March 31, 2025** | **30.33** |
| **Year ended March 31, 2026** | |
| Gross carrying amount | **30.33** |
| Additions | - |
| Impairment | - |
| **Gross carrying amount** | **30.33** |
| **Net carrying amount as at March 31, 2026** | **30.33** |

## 6 Investments

| | Particulars | Face Value Per Share/ Unit | As at March 31,2026 | | As at March 31,2025 | |
|---|---|---|---|---|---|---|
| | | | Quantity No's | Amount (₹ in Crore) | Quantity No's | Amount (₹ in Crore) |
| 6a | **Non-current Investments** | | | | | |
| (i) | **A Investment in equity Instruments (fully paid up):** | | | | | |
| | **In subsidiaries (Unquoted and Non-Trade)( At cost):** | | | | | |
| | HGS International, Mauritius( Wholly owned Subsidiary) | USD 1 | 32,514,228 | 388.80 | 32,514,228 | 388.80 |
| | IndusInd Media and Communications Limited ( Holding 79.75%) | ₹ 10 | 155,213,652 | 75.93 | 155,213,652 | 75.93 |
| | ONEOTT Intertainment Limited ( Holding 71.65%) | ₹ 10 | 20,221,169 | 271.99 | 20,221,169 | 271.99 |
| | HGS Digital Private Limited( Wholly owned Subsidiary) | ₹ 10 | 10,000 | 0.01 | - | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Particulars | Face Value Per Share/ Unit | As at March 31,2026 Quantity No's | As at March 31,2026 Amount (₹ in Crore) | As at March 31,2025 Quantity No's | As at March 31,2025 Amount (₹ in Crore) |
|---|---|---|---|---|---|---|
| | **B. Unquoted and Non-Trade preference shares (measured at fair value through profit and loss)** | | | | | |
| | HGS International, Mauritius 5% cumulative preference shares of USD 1 each | USD 1 | - | - | 15,000,000 | 124.05 |
| | **C. Unquoted and Non-Trade preference shares (measured at fair value through profit and loss)** | | | | | |
| | In Entertainment (India) Limited 7% cumulative preference shares of ` 10 each | ₹ 10 | 8,446,120 | 5.49 | 8,446,120 | 4.95 |
| | **Aggregate Value of Unquoted Investments** | | | **742.23** | | **865.73** |
| 6b | **Current Investment (measured at fair value through profit and loss)** | | | | | |
| | **A. Unquoted and Non-Trade preference shares (measured at fair value through profit and loss)** | | | | | |
| | HGS International, Mauritius 5% cumulative preference shares of USD 1 each | USD 1 | 15,000,000 | 124.05 | - | - |
| | **B. Others (Unquoted and Non-Trade): (At Amortised cost)** | | | | | |
| | Treasury Bills (At Philippines branch) | | | 1.83 | | 1.60 |
| | [Deposited with Securities and Exchange Commission in Philippines] | | | | | |
| | **Aggregate Value of Investments and market value thereof** | | | **125.88** | | **1.60** |
| | **Total investments** | | | | | |
| | Aggregate value of quoted Investments and market value thereof | | | - | | - |
| | Aggregate value of unquoted investments | | | **868.11** | | **867.33** |
| | Aggregate amount of impairment in the value of investments | | | - | | - |

**Terms of Treasury bill FY 2025-26**

| | Name of Bank | ISIN | Maturity Date | Rate of Interest | Face Value in' PHP as on March 31,2026 (PHP. in Crore) | Face Value in' ₹ as on March 31,2026 (₹ in Crore) |
|---|---|---|---|---|---|---|
| 1 | Union Bank Plaza* | PH0000060477 | June 10, 2026 | 4.60% | 1.18 | 1.83 |
| **Total** | | | | | **1.18** | **1.83** |

* These investments carry a fixed rate of interest and it is maturing through June 10, 2026.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**Terms of Treasury bill FY 2024-25**

| | Name of Bank | ISIN | Maturity Date | Rate of Interest | Face Value in' PHP as on March 31,2025 (PHP. in Crore) | Face Value in' ₹ as on March 31,2025 (₹ in Crore) |
|---|---|---|---|---|---|---|
| 1 | Union Bank Plaza* | PH000059131 | June 8, 2025 | 5.58% | 1.07 | 1.60 |
| **Total** | | | | | **1.07** | **1.60** |

* These investments carry a fixed rate of interest and it is maturing through June 8, 2025.

Note: The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

## 7 Loans

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Unsecured, considered good ( At Amortised cost)** | | |
| Loans to related parties (Refer note 43)* | 323.60 | 674.90 |
| **Total** | **323.60** | **674.90** |

* This represents non-current portion of loan to a wholly owned subsidiary to meet its business requirement and to fund organic growth of its Overseas subsidiaries and future acquisitions. Accordingly the loan is considered as net investment in foreign operations. The loan is unsecured and bearing interest rate of US$ 3 month LIBOR+115 basis points to 4.25%. There is no fixed repayment tenure for the loan and the borrower has an option to repay the loan at any time along with accrued interest.

The loans were given to respective parties as disclosed in Note 43 for their working capital needs and general corporate purpose. The transactions were made on normal commercial terms and conditions and at the market rate. The average interest rate on the loans during the year was 8.80% to 9.25% ( March 31, 2025 – 8.80% to 9.10%)

**7 a** Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment ( Both current and non current)

| Type of Borrower | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Amount of loan or advance in the nature of loan outstanding |
| **Related Parties** | | | | |
| Non Current Loans ( Refer 7) | 323.60 | 37% | 674.90 | 56% |
| Current Loans ( Refer 13) | 542.41 | 63% | 536.74 | 44% |
| **Total** | **866.01** | **100%** | **1,211.64** | 100% |

**7 b Particulars of loan granted u/s 186 of the Companies act 2013.**

| Loans/Inter Corporate Deposits Receivable Related Party wise. (Non Current Loans and Current Loans) | For FY 2025-26 | | For FY 2024-25 | |
|---|---|---|---|---|
| | Loan o/s as at March 31, 2026 | Maximum O/s Balance in FY 2025-26 | Loan o/s as at March 31, 2025 | Maximum O/s Balance in FY 2024-25 |
| HGS International | 679.57 | 741.52 | 674.90 | 750.12 |
| Hinduja Group Limited | 49.95 | 67.95 | 33.65 | 223.55 |
| Hinduja Realty Ventures Limited | 20.63 | 136.63 | 25.78 | 293.86 |
| In Entertainment India Limited | - | 1.85 | 1.27 | 68.66 |
| IndusInd Media & Communications Limited | 2.51 | 241.40 | 241.40 | 241.40 |
| ONEOTT Intertainment Limited | 113.35 | 234.64 | 234.64 | 234.64 |
| **Total** | **866.01** | | **1,211.64** | |

Refer Note 7 &13

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 8 Other non current financial asset

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Security Deposit | 46.20 | 56.43 |
| Deposits with bank for Margin Money* | 5.85 | 5.73 |
| Lease receivable (Refer Note 43 & 47) | 7.55 | 17.44 |
| **Total** | **59.60** | **79.60** |

* Under lien with bank towards guarantees issued by them on behalf of the company.

## 9a Income tax assets (net)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Advance tax and tax deducted at source | 1,773.52 | 1,239.56 |
| Less: Provision for Income tax | 1,487.69 | 974.67 |
| **Total** | **285.83** | **264.89** |

## 9b Current tax liabilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Provision for Income tax | 12.16 | 5.45 |
| Less: Advance tax & tax deducted at source | 8.05 | 4.58 |
| **Total** | **4.11** | **0.87** |

## 10 Other non current assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Capital advances | 0.09 | 0.01 |
| Balances with government authorities | 36.62 | 34.98 |
| Prepaid expenses | 1.80 | 0.28 |
| Others (Refer note 43) | - | 4.58 |
| **Total** | **38.51** | **39.85** |

## 11 Trade receivables & Unbilled Receivables

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Unsecured, considered good | 438.46 | 244.49 |
| Unsecured, Unbilled Receivables | 54.87 | 104.34 |
| Trade Receivable- Significant increase in credit Risk | 65.63 | 69.54 |
| Less: Allowance for bad & doubtful debts | (65.63) | (69.54) |
| **Total** | **493.33** | **348.83** |
| Current portion | 493.33 | 348.83 |
| Non-current portion | - | - |

For Related party transactions refer Note 43.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

### Trade Receivables ageing schedule As at March 31, 2026

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 116.60 | 218.68 | 103.18 | - | - | - | **438.46** |
| (ii) Undisputed Trade Receivables – Significant increase in credit Risk | 2.58 | 9.73 | 17.44 | 13.21 | 3.81 | 2.91 | **49.68** |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - | **-** |
| (iv) Disputed Trade Receivables - Significant increase in credit Risk | - | 0.27 | 0.78 | 3.69 | 3.65 | 7.56 | **15.95** |
| Less: Allowance for bad and doubtful debts | (2.58) | (10.00) | (18.22) | (16.90) | (7.46) | (10.47) | **(65.63)** |
| **Unbilled Receivable** | | | | | | | |
| (v) Undisputed Unbilled Receivable – considered good | 54.87 | - | - | - | - | - | **54.87** |
| **Total** | **171.47** | **218.68** | **103.18** | **-** | **-** | **-** | **493.33** |

### Trade Receivables ageing schedule As at March 31, 2025

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 74.06 | 162.22 | 5.83 | - | - | - | **242.11** |
| (ii) Undisputed Trade Receivables – Significant increase in credit Risk | 0.67 | 10.18 | 5.21 | 13.78 | 7.67 | 17.03 | **54.54** |
| (iii) Disputed Trade Receivables considered good | - | 2.35 | 0.12 | - | - | - | **2.47** |
| (iv) Disputed Trade Receivables - Significant increase in credit Risk | - | 0.21 | 0.06 | 2.94 | 6.01 | 5.69 | **14.91** |
| Less: Allowance for bad and doubtful debts | (0.67) | (10.39) | (5.26) | (16.72) | (13.67) | (22.83) | **(69.54)** |
| **Unbilled Receivables** | | | | | | | |
| (v) Undisputed Unbilled Receivable – considered good | 104.34 | - | - | - | - | - | **104.34** |
| **Total** | **178.40** | **164.57** | **5.96** | **-** | **0.01** | **(0.11)** | **348.83** |

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 12a Cash and cash equivalents

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances with banks | | |
| in current accounts | 101.21 | 52.75 |
| in Exchange Earners Foreign Currency Account (EEFC) accounts | 0.45 | 0.39 |
| In Term deposits | 0.51 | 40.26 |
| In Cash credit accounts | 7.43 | 7.42 |
| Cheques on hand | 1.42 | 14.50 |
| Cash on hand | 0.06 | 0.06 |
| **Total** | **111.08** | **115.38** |

Balances with banks in current account and EEFC account does not carry any interest. Short-term deposits are made for varying periods between one day to three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year.

## 12b Bank balances other than 12a above

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Earmarked Balances with Banks: | | |
| Unpaid dividend | 69.82 | 70.83 |
| Unpaid bonus | - | 0.02 |
| Bank Deposits maturing more than 3 months but less than 12 months | 31.24 | 15.01 |
| Margin Money with Bank | - | 0.16 |
| **Total** | **101.06** | **86.02** |

Term deposits are made for varying periods having a maturity period of more than three months.

## 13 Loans

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Unsecured, considered good (At Amortised cost)** | | |
| **Loan to related parties (Refer note 43)** | | |
| Opening balance | 536.74 | 734.35 |
| Loans given during the year | 550.50 | 497.54 |
| Loans repaid | (900.79) | (695.15) |
| Reclasification from Non Current to Current* | 355.96 | - |
| Closing Balance | 542.41 | 536.74 |
| **Closing Balance** | **542.41** | **536.74** |

The loans were given to respective parties as disclosed in Note 43 for their working capital needs and general corporate purpose. The transactions were made on normal commercial terms and conditions and at the market rate. The average interest rate on the loans during the year was 8.80% to 9.25% ( March 31, 2025 – 8.80% to 9.10%)

* This represents non-current portion of loan to a wholly owned subsidiary to meet its business requirement and to fund organic growth of its Overseas subsidiaries and future acquisitions. Accordingly the loan is considered as net investment in foreign operations. The loan is unsecured and bearing interest rate of 4.25%. There is no fixed repayment tenure for the loan and the borrower has an option to repay the loan at any time along with accrued interest.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 14 Other current financial asset

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Security deposits | 11.59 | 11.42 |
| Less : Provision for Security deposits | (2.86) | (1.04) |
| | 8.73 | 10.38 |
| Interest accrued on deposits/ loans | 4.58 | 0.44 |
| Derivatives - Foreign Exchange Forward Contracts (Refer Note 46) | - | 1.84 |
| Finance lease receivables (Refer Note 43 & 47) | 9.31 | 11.17 |
| Other receivables | 12.89 | 30.18 |
| Less : Provision for Other receivables | (1.08) | (0.51) |
| | 11.81 | 29.67 |
| **Total** | **34.43** | **53.50** |

## 15 Other current assets

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Unsecured and considered good, unless otherwise stated** | | |
| Balances with Government authorities | 172.90 | 132.49 |
| Advance to employees | | |
| - Good | 5.50 | 4.06 |
| - Doubtful | 0.13 | 0.13 |
| | 5.63 | 4.19 |
| Less: Allowance for doubtful Advances | (0.13) | (0.13) |
| | 5.50 | 4.06 |
| Advance to vendors | 14.03 | 14.01 |
| Prepaid expenses | 78.14 | 58.44 |
| **Total** | **270.57** | **209.00** |

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

## 16 Inventories

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(at lower of cost and net realisable value)** | | |
| Stock of network cable and equipment's | 0.92 | 2.17 |
| Media Inventories | - | 2.62 |
| **Total** | **0.92** | **4.79** |

* Refer Note 49

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 17 Equity Share capital

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Authorized Share capital:** | | |
| 7,98,50,000 (March 31, 2025: 7,98,50,000) equity shares of ₹ 10/- each | 79.85 | 79.85 |
| 150,000 (March 31, 2025:150,000) 1% Participatory redeemable Non cumulative preference shares of ₹ 10/- each | 0.15 | 0.15 |
| **Total** | **80.00** | **80.00** |
| **Issued, subscribed and Paid up :** | | |
| 46,520,285 (March 31, 2025: 46,520,285 ) equity shares of ₹ 10/- each fully paid | 46.52 | 46.52 |
| **Total** | **46.52** | **46.52** |

### (i) Movements in equity share capital

| Particulars | No. of shares | Equity share Capital (par value) |
|---|---|---|
| **As at April 1, 2024** | **46,520,285** | **46.52** |
| For the Year Change | - | - |
| **As at March 31, 2025** | **46,520,285** | **46.52** |
| For the Year Change | - | - |
| **As at March 31, 2026** | **46,520,285** | **46.52** |

**Terms and rights attached to equity shares**

Equity Shares: The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend which are approved by Board of Directors in Board Meeting . In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### (ii) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Name of the Shareholder | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of Shares | % held | Number of Shares | % held |
| Hinduja Group Limited | 17,607,646 | 37.85% | 17,607,646 | 37.85% |
| Hinduja Realty Ventures Limited | 2,983,382 | 6.41% | 2,983,382 | 6.41% |
| Amas Mauritius Limited | 6,529,371 | 14.04% | 6,529,371 | 14.04% |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**(iii) Shareholding of Promoters**

| Name of the Promoters | As at March 31, 2026 | | As at March 31, 2025 | | % Change during the year |
|---|---|---|---|---|---|
| | Number of Shares | % held | Number of Shares | % held | |
| Hinduja Group Limited | 17,607,646 | 37.85 | 17,607,646 | 37.85 | - |
| Hinduja Realty Ventures Limited | 2,983,382 | 6.41 | 2,983,382 | 6.41 | - |
| Hinduja Group Limited jointly with Hinduja Realty Ventures Limited | 605,862 | 1.3 | 6,05,862 | 1.3 | - |
| Hinduja Properties Limited | 59,334 | 0.13 | 59,334 | 0.13 | - |
| Amas Mauritius Limited | 6,529,371 | 14.04 | 6,529,371 | 14.04 | - |
| Aasia Corporation LLC | 366,885 | 0.79 | 3,66,885 | 0.79 | - |
| Harsha Ashok Hinduja Jt. Ashok P. Hinduja | 1,176,672 | 2.53 | 11,76,672 | 2.53 | - |
| Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger) | 1,142,979 | 2.46 | 1,142,979 | 2.46 | - |
| Ambika Ashok Hinduja | 385,392 | 0.83 | 3,85,392 | 0.83 | - |
| Shom Ashok Hinduja | 304,429 | 0.65 | 3,04,429 | 0.65 | - |
| Ashok P. Hinduja Jt. Harsha Ashok Hinduja | 98,528 | 0.21 | 98,528 | 0.21 | - |
| Vinoo S. Hinduja | 141,515 | 0.3 | 1,41,515 | 0.3 | - |
| Ashok P. Hinduja, Karta of A.P. Hinduja (HUF) | 118,127 | 0.25 | 1,18,127 | 0.25 | - |
| Shanoo S. Mukhi | 2,213 | 0 | 2,213 | 0 | - |
| Harsha Ashok Hinduja | 36302 | 0.08 | 36,302 | 0.08 | - |
| Ashok P. Hinduja | 68711 | 0.15 | 68,711 | 0.15 | - |

| Name of the Promoters | As at March 31, 2025 | | As at March 31, 2024 | | % Change during the year |
|---|---|---|---|---|---|
| | Number of Shares | % held | Number of Shares | % held | |
| Hinduja Group Limited | 17,607,646 | 37.85 | 16,319,452 | 35.08 | 2.77 |
| Hinduja Realty Ventures Limited | 2,983,382 | 6.41 | 2,983,382 | 6.41 | 0 |
| Hinduja Group Limited jointly with Hinduja Realty Ventures Limited | 605,862 | 1.3 | 1,765,862 | 3.8 | -2.5 |
| Hinduja Properties Limited | 59,334 | 0.13 | 59,334 | 0.13 | - |
| Amas Mauritius Limited | 6,529,371 | 14.04 | 6,529,371 | 14.04 | - |
| Aasia Corporation LLC | 366,885 | 0.79 | 366,885 | 0.79 | - |
| Harsha Ashok Hinduja Jt. Ashok P. Hinduja | 1,176,672 | 2.53 | 1,176,672 | 2.53 | - |
| Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger) | 1,142,979 | 2.46 | 1,142,979 | 2.46 | - |
| Ambika Ashok Hinduja | 385,392 | 0.83 | 385,392 | 0.83 | - |
| Shom Ashok Hinduja | 304,429 | 0.65 | 304,429 | 0.65 | - |
| Ashok P. Hinduja Jt. Harsha Ashok Hinduja | 98,528 | 0.21 | 98,528 | 0.21 | - |
| Vinoo S. Hinduja | 141,515 | 0.3 | 141,515 | 0.3 | - |
| Ashok P. Hinduja, Karta of A.P. Hinduja (HUF) | 118,127 | 0.25 | 118,127 | 0.25 | - |
| Shanoo S. Mukhi | 2,213 | 0 | 2,213 | 0 | - |
| Harsha Ashok Hinduja | 36,302 | 0.08 | 36,302 | 0.08 | - |
| Ashok P. Hinduja | 68,711 | 0.15 | 68,711 | 0.15 | - |

(iv) The Board of Directors at their meeting held on January 6, 2022 had approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of Rs. 10/- each for every 1 (One) existing Equity Share of Rs. 10/- each, with a record date of February 23, 2022.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

(v) The shareholders of the Company approved the proposal of buyback of Equity Shares recommended by the Board of Directors by way of e-voting through postal ballot at the Maximum buyback price of Rs. 1,700/- per equity share and the Maximum buyback size of Rs. 1,020.00 crore. Subsequently, the Buyback Committee at its meeting held on January 27, 2023 has approved the buyback of 0.60 crore Equity Shares at a price of Rs 1,700 i.e. up to Rs. 1020.00 crore (excluding transaction cost taxes) with the Record Date of March 6, 2023.

The buyback was offered to all eligible equity shareholders of the Company on proportionate basis through the "Tender offer" route in accordance with SEBI (Buy-back of Securities) Regulations, 2018. The Buyback of equity shares has commenced on May 22, 2023 and closed on June 2, 2023. The buyback settlement was complete on June 9, 2023.

The Company had bought back 0.60 crore equity shares of Face Value of Rs 10 each ( i.e. Rs 6 crore) at a price of Rs. 1,700 per equity share by utilising its Securities premium reserve,General Reserve and Retained Earnings. The Company credited 'Capital Redemption Reserve' with an amount of Rs. 6 crore, being amount equivalent to the nominal value of the Equity Shares bought back as an appropriation from General Reserve The Buyback resulted in cash outflow of Rs. 1020.00 crore (excluding transaction cost and taxes) and reduction of 11.43% of pre-buyback paid up equity share capital of the Company as at March 31, 2023.

## 18 Borrowings

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **a. Borrowings - non-current (Amortised cost) (Refer Note 48)** | | |
| **Secured** | | |
| Term Loans from Banks | 85.89 | 132.31 |
| **Unsecured** | | |
| Other loans | 96.76 | 73.64 |
| **Total borrowings** | **182.65** | **205.95** |
| Less: Current maturities of long-term debt | 94.30 | 70.50 |
| Less: Interest accrued (included in note 23) | 0.74 | 1.86 |
| **Non-current borrowings** | **87.61** | **133.59** |
| **b. Borrowings - current (Amortised cost) (Refer Note 48)** | | |
| **Secured** | | |
| Bank Overdrafts | 179.00 | 185.00 |
| **Secured - at amortised cost** | | |
| **Loans from banks repayable on demand** | | |
| - Working Capital demand loan | 150.12 | 138.36 |
| **Total Current borrowings** | **329.12** | **323.36** |
| Less: Interest accrued | - | - |
| **Current borrowings** | **329.12** | **323.36** |
| **c. Current maturities of Long term borrowings** | 51.41 | 46.19 |
| **Unsecured** | | |
| **d. Current maturities of other loans** | 42.89 | 24.31 |
| | **94.30** | **70.50** |
| **e. Total current borrowings** | **423.42** | **393.86** |
| **Total Borrowings*** | **511.03** | **527.45** |

* Refer Note 37, 43 & 48.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 19 Lease Liabilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **a. Lease Liabilities - non-current** | | |
| Total lease Liabilities | 481.82 | 673.23 |
| Less: Current Maturities of Lease Obligations | (207.05) | (252.76) |
| | **274.77** | **420.47** |
| **b. Lease Liabilities - current** | 207.05 | 252.76 |
| | **207.05** | **252.76** |
| **Total** | **481.82** | **673.23** |

Note: Refer Note 47

## 20 Other non-current financial liabilities

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Capital creditors (other than those payable to MSME) | 7.08 | - |
| Security deposits | 0.89 | 0.89 |
| **Total** | **7.97** | **0.89** |

## 21 Non current - provisions

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Pension (Refer note 41) | 28.27 | 33.34 |
| Gratuity (Refer note 41) | 21.50 | 9.50 |
| Compensated absences (Refer note 41) | 13.91 | 13.18 |
| **Total** | **63.68** | **56.02** |

## 22 Trade Payables

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| i. Total outstanding dues of micro enterprises and small enterprises (Refer note 50) | 4.42 | 2.75 |
| ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | 232.15 | 213.26 |
| **Total** | **236.57** | **216.01** |

Note: For Related party transactions refer Note 43.

### Trade Payables ageing schedule March 31, 2026

| Particulars | Not due& Accrued | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 1.63 | 2.79 | - | - | - | **4.42** |
| (ii) Others | 140.08 | 76.95 | 4.23 | 7.58 | 3.31 | **232.15** |
| (iii) Disputed dues – Micro enterprises and small enterprises | - | - | - | - | - | **-** |
| (iv) Disputed dues-Others | - | - | - | - | - | **-** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

### Trade Payables ageing schedule March 31, 2025

| Particulars | Not due& Accrued | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 0.62 | 2.13 | - | - | - | **2.75** |
| (ii) Others | 116.89 | 83.41 | 8.95 | 2.34 | 1.67 | **213.26** |
| (iii) Disputed dues – Micro enterprises and small enterprises | - | - | - | - | - | **-** |
| (iv) Disputed dues-Others | - | - | - | - | | **-** |

## 23 Other current financial liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Interest accrued but not due | 0.74 | 1.86 |
| Capital creditors (other than those payable to MSME) | 21.00 | 29.63 |
| Unpaid dividend [Refer note (a)] | 69.83 | 70.83 |
| Derivatives - foreign exchange forward contracts (Refer note 46) | 6.91 | 1.26 |
| Employee benefits payable | 45.45 | 43.90 |
| Other Payable | 7.46 | 5.81 |
| **Total** | **151.39** | **153.29** |

a. There were no delays in depositing an unclaimed dividend in the current year to Investor Education and Protection Fund (IEPF).

## 24 Current - provisions

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Compensated absences (Refer note 41) | 12.16 | 8.82 |
| Gratuity (Refer note 41) | 17.33 | 12.76 |
| **Total** | **29.49** | **21.58** |

## 25a Non current Contract Liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Income received in advance | - | 0.34 |
| **Total** | **-** | **0.34** |

## 25b Current Contract Liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Income received in advance | 16.50 | 15.22 |
| Advance from Customer | 4.31 | 3.71 |
| **Total** | **20.81** | **18.93** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 26 Other current liabilities

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Statutory dues payable | 25.28 | 24.18 |
| Other payables | - | 0.08 |
| **Total** | **25.28** | **24.26** |

## 27 Revenue from operations

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Sale of products** | | |
| Sale of Traded Goods | 0.11 | 4.73 |
| **Sale of services** | | |
| Business Process Management (Refer Note 43) | 1085.77 | 984.15 |
| Subscription - direct / cable operators | 285.06 | 335.68 |
| Installation charges (Refer Note 43) | 22.73 | 21.39 |
| Channel placement fees | 80.08 | 77.25 |
| Marketing & Promotion | 277.03 | 155.51 |
| LCN Incentive | 63.45 | 104.87 |
| **Other operating income** | | |
| Technical advisory fees (Refer Note 43) | 6.49 | 6.18 |
| Advertisement income | 0.42 | 4.91 |
| Other operating revenue (Refer Note 43) | 5.98 | 16.42 |
| **Total** | **1,827.12** | **1,711.09** |

### i) Business Process Management

Revenue is recognized at Point in Time basis in respect of the services provided by the company.

The Company believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

| **Country / region** | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| USA and Canada | 462.11 | 480.09 |
| India | 450.74 | 378.39 |
| UK & Europe | 87.79 | 84.22 |
| Rest of the world | 85.13 | 41.45 |
| **Total revenue from contracts with customers** | **1,085.77** | **984.15** |

| **Contract type/ nature of contract** | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Business Process Management | 1,085.77 | 984.15 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| Category of customer | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Health Insurance, Pharma & Healthcare | 13.24 | 10.12 |
| Telecom and Technology | 135.97 | 143.98 |
| Consumer Electronics, Products, Services and Retail | 211.47 | 291.44 |
| Banking and Financial Services | 534.96 | 462.42 |
| Others | 190.13 | 76.19 |
| **Total revenue from contracts with customers** | **1,085.77** | **984.15** |

ii) **Media and Digital**

Media & Communications business, is India's premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns in India.

The Company earns installation revenue on activation of set-top boxes ('STB') at customer premises, thus money is collected on or before installation of STB. In case of subscription income, the Company largely operates on limited customer base / geographies where the credit limit is less than a year. Also, channel placement / carriage income and LCN income from broadcasters have similar credit risks.

The following table provides a reconciliation of the revenue recognised in the statement of profit and loss with the contract price:

| Subscription revenue | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Contracted price | 288.97 | 339.48 |
| Add: Allocation of transaction price from bundled contracts | - | - |
| Add: Deferred revenue adjustments | - | - |
| Less: Unbilled revenue adjustments | - | - |
| Discounts to LCO's | (3.91) | (3.80) |
| **Revenues recognised as per the Statement of profit and loss** | **285.06** | **335.68** |

| Installation revenue | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Contracted price | 22.48 | 21.00 |
| Less: Allocation of transaction price to subscription revenue for bundled contracts | - | - |
| Add: Adjustment for deferral for installation revenue | 0.25 | 0.39 |
| **Revenues recognised as per the Statement of profit and loss** | **22.73** | **21.39** |

| Channel placement fees | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Contracted price | 81.59 | 234.10 |
| Add: Adjustment for deferral for channel placement revenue | (1.51) | (1.34) |
| **Revenues recognised as per the Statement of profit and loss** | **80.08** | **232.76** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

The table below discloses the movement in contract liabilities during the year:

| | Advance billing | Advance from customer |
|---|---|---|
| **Balance as at 31 March 2024** | **15.79** | **6.34** |
| Less: revenue recognised that was included in the contract liabilities at the beginning of the year | (13.31) | (6.33) |
| Add: invoices raised for which no revenue is recognised during the year | 11.10 | 3.71 |
| **Balance as at 31 March 2025** | **13.58** | **3.72** |
| Less: revenue recognised that was included in the contract liabilities at the beginning of the year | (13.47) | (3.72) |
| Add: invoices raised for which no revenue is recognised during the year | 13.47 | 4.31 |
| **Balance as at 31 March 2026** | **13.58** | **4.31** |

**The table below discloses the movement in contract assets during the year:**

| **Unbilled receivables** | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| **At the beginning of the year** | **10.53** | **6.97** |
| Less: Invoices issued in the current year that was included in contract assets in the beginning of the year | (10.53) | (6.97) |
| Add: Revenue recognised in the current year for which no invoice is raised in the current year | 1.37 | 10.53 |
| **Balance as at Year end** | **1.37** | **10.53** |

## 28 Other income

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Interest income on financial assets carried at amortised cost | 71.2 | 93.45 |
| Interest income on income tax refund | 11.4 | 3.22 |
| Dividend income | | |
| - from others | 0.68 | 1.20 |
| Net gain on financial instruments at fair value through profit or loss | 0.54 | 0.49 |
| Unwinding of discount on security deposits | 11.83 | 4.98 |
| Foreign exchange gain (net) | 81.89 | 19.25 |
| Income from discontinuation of leases | - | 0.22 |
| Provision for Doubtful debts no longer required written-back | 6.26 | 4.34 |
| Lease income | 17.61 | 25.71 |
| Service charges recovered | 54.71 | 18.40 |
| Miscellaneous income | 1.66 | 5.24 |
| **Total** | **257.78** | **176.50** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 29 Changes in Inventories

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Opening Stock** | | |
| Media inventory | 2.62 | 5.59 |
| Network equipment and traded goods | 2.17 | 6.79 |
| | **4.79** | **12.38** |
| **Less: Closing Stock** | | |
| Media inventory | (0.92) | (2.62) |
| Network equipment and traded goods | - | (2.17) |
| | (0.92) | (4.79) |
| **Total** | **3.87** | **7.59** |

## 30 Employee benefits expenses

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Salaries and wages | 798.79 | 748.99 |
| Contribution to provident and other funds (Refer Note 41) | 47.31 | 42.19 |
| Gratuity and Pension expense | 15.92 | 11.16 |
| Staff welfare expenses | 5.66 | 6.46 |
| **Total** | **867.68** | **808.80** |

## 31 Finance costs

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Interest expense on | | |
| Term loans from bank | 10.14 | 20.07 |
| Cash credit and others | 15.84 | 16.52 |
| Others | 18.09 | 3.13 |
| Interest expense on leases ( Refer not 47) | 58.98 | 73.51 |
| Amorisation of processing fee | 2.06 | 3.36 |
| Other borrowing costs | 0.02 | 0.11 |
| **Total** | **105.13** | **116.70** |

## 32 Depreciation and Amortization expenses

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Depreciation on property, plant and equipment ( Refer Note 2) | 54.83 | 65.86 |
| Depreciation on Right of use assets ( Refer Note 3) | 169.44 | 166.17 |
| Amortization of intangibles ( Refer Note 4b) | 26.06 | 24.53 |
| Depreciation on Investment property ( Refer Note 4a) | 0.47 | 0.47 |
| **Total** | **250.80** | **257.03** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 33 Other expenses

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Power and fuel | 16.23 | 16.08 |
| Rent (Refer note 47) | 15.47 | 11.42 |
| Repairs and maintenance -machinery | 8.71 | 8.1 |
| Repairs and maintenance - leased Premises | 10.79 | 10.28 |
| Repairs and maintenance - others | 7.77 | 10.75 |
| Insurance | 7.46 | 7.82 |
| Rates and taxes | 11.4 | 8.17 |
| Directors' sitting fees and Commission(Refer note 43) | 0.65 | 0.9 |
| Payment to the auditors: | | |
| - As auditors [including payment to Branch Auditors Rs. 0.18 Crore (Previous Year Rs. 0.16 Crore)] | 2.68 | 2.68 |
| - for other services [including payment to Branch Auditors Rs. 0.4 Crore (Previous Year Rs. Nil) | 0.43 | 0.02 |
| - for reimbursement of expenses | 0.05 | 0.07 |
| Connectivity cost(Refer note 43) | 41.83 | 21.7 |
| Advertisement and business promotion | 6.87 | 5.79 |
| Communication | 7.71 | 8.84 |
| Travelling, conveyance and car hire charges | 14.64 | 13.94 |
| Legal and professional | 97.42 | 87.03 |
| Training and recruitment | 7.23 | 7.09 |
| Subscription - pay channels | 596.26 | 543.67 |
| Lease rental - duct | 4.33 | 4.69 |
| Bandwidth charges | 1.75 | 0.59 |
| Commission | 16.71 | 24.22 |
| Contract Services | 35.3 | 39.97 |
| Royalty | 4.02 | 3.58 |
| Call centre charges | 1.74 | 2.19 |
| Donations | 0.06 | 0.02 |
| Software expenses | 30.72 | 31.64 |
| Corporate social responsibility (Refer note 33a) | 0.41 | 2.09 |
| Bad debts/ advances written off | 2.07 | 5.68 |
| Allowance for bad and doubtful debts/ advances | 22.21 | 12.32 |
| Loss on sale of assets (net) | 0.01 | 1.99 |
| Miscellaneous expenses* | 8.71 | 45.94 |
| **Total** | **981.64** | **939.27** |

* Miscellaneous expenses includes contribution of Rs NIL ( 2024-25 Rs. 35 crore ) to an Electrol Trust in accordance with Section 182 of the Companies Act 2023.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 33a Corporate social responsibility (CSR)

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| I Opening unspent Amount | - | 2.34 |
| II Gross amount required to be spent by the Company during the year | - | 2.09 |
| III Amount spent during the year | | |
| a. Construction/ acquisition of any asset | - | - |
| b. On various activities (Refer note below 2) | 0.41 | 4.43 |
| IV Shortfall/Unspent at the end of the year | - | - |
| V Total of previous years shortfall | - | - |
| VI Reason for shortfall | Not Applicable | Not Applicable |

| Amount spent during the year | In Cash* | In Cash* |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| a. Construction/ acquisition of any asset | - | - |
| b. On various activities (Refer note below) | 0.41 | 4.43 |
| **Total** | **0.41** | **4.43** |

* There are no amounts yet to be paid in cash.

**Note : 1 Amount spent during the year**

| Vendor Name | Nature of CSR Activity | Amount Spent during 2025-26 | Amount Spent during 2024-25 |
|---|---|---|---|
| Hinduja Foundation | Water, Education & Rural Development Project, T1 Diabetes program with Hinduja Hospital, Mumbai,ICU upgradation at PD Hinduja Sindhi Hospital, Bengaluru,Road to School Program with Learning Links Foundation at Nilgiri | 0.30 | 3.06 |
| Learning Links Foundation | Support for the holistic development of children as part of Road To School program in Bengaluru. | - | 0.45 |
| Samarthanam Trust for the Disabled | Education, Life skill Training for disabled,Support for vocational skills training and placement of persons with disabilities. | - | 0.05 |
| Step Up For India | Contribution towards Implementing Comprehensive English Program. | - | 0.15 |
| The Akshaya Patra Foundation | Contribution towards Mid-day Meals Program. | 0.06 | 0.25 |
| Nascom Foundation | NASCOMM-Skills | 0.05 | 0.20 |
| NBAW Association | Spring shed Rejuvenation Program, Pantnagar | - | 0.10 |
| Ambuja Cement Foundation | Sustainable Water Management Project, Phalodi | - | 0.17 |
| **Total** | | **0.41** | **4.43** |

* During the year FY 2024-25 the Company has spent Rs.4.43 Crore ( FY 2024-25 Rs.2.09 Crore and FY 2023-24 Rs. 2.34 Crore) on CSR activities before March 31, 2025.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 34 Share Based Payments

### a) Employee option plan

Details of the employee stock option plan are as given below.

| Particulars | ESOP 2008 | ESOP 2011 |
|---|---|---|
| Details of the plan | The Shareholders of the Company at their Annual General Meeting held on September 27, 2008 granted approval to HTMT Global Solutions Limited Employees Stock Option Plan 2008 (now Hinduja Global Solutions Limited Employees Stock Option Plan 2008) ("ESOP 2008"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2008 and options were granted on July 31, 2009. | The Shareholders of the Company at their Annual General Meeting held on August 1, 2011 granted approval to Hinduja Global Solutions Limited Employees Stock Option Plan 2011 ("ESOP 2011"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2011 and options were granted on November 11, 2011. |
| Maximum grant of options | The maximum number of options that could be issued under ESOP 2008 is 205,380 (being 1% of the outstanding equity shares of the Company as at April 1, 2009). | The maximum number of options that could be issued under ESOP 2011 is 308,838 (being 1.5% of outstanding paid up capital of the Company as at April 1, 2011). |
| Vesting period | Options to vest over a period of three years from the date of their grant as under:<br>- 1/6th of the options granted will vest on the first anniversary of the grant date.<br>- 1/3rd of the options granted will vest on the second anniversary of the grant date.<br>- 1/2 of the options granted will vest on the third anniversary of the grant date. | Options to vest over a period of three years from the date of their grant as under:<br>- 1/6th of the options granted will vest at the end of one year from the grant date.<br>- 1/6th of the options granted will vest at the end of 18 months from the grant date.<br>- 1/6th of the options granted will vest at the end of 24 months from the grant date.<br>- 1/4th of the options granted will vest at the end of 30 months from the grant date.<br>- 1/4th of the options granted will vest at the end of 36 months from the grant date. |
| Exercise period | Options vested with an employee will be exercisable prior to completion of the 48th month from the date of their grant by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme. | Options vested with an employee will be exercisable prior to completion of the 24th month from the date of vesting of options by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme. |
| Grant/re-grant options | The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above. | The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above. |

The exercise price per share is determined on the basis of closing price at the National Stock Exchange of India Limited immediately preceding the grant date. The fair value of stock option has been calculated using Black-Scholes Option Pricing Model.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 35 Contingent liabilities

### a) Contingent liabilities

**A) Claims against the Company not acknowledged as debts:**

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **1. Income Tax demand** | | |
| (i) Prior AY 2007-08 (Refer note 1& 2 below) | 170.91 | 170.91 |
| (ii) From AY 2007-08 (Refer note 2 below) | 106.74 | 106.11 |
| (iii) From 2021-2022 to 2023-2024 (Refer Note 54) | 281.59 | - |
| (iv) Others | 48.02 | 159.18 |
| **2 Claims against the company not acknowledged as debts relating to:** | | |
| Entertainment tax (refer note 3 below) | 23.60 | 21.93 |
| Cable Television Related Cases | 2.34 | 2.34 |
| Service tax (Refer note 4) | 127.94 | 127.94 |
| Sales Tax and Value Added Tax | 38.99 | 38.99 |
| Custom Duty (Refer note 7) | 19.42 | 19.42 |
| Local Body Tax | 0.73 | 0.73 |
| License fee (Department of Telecommunication) (refer note 6 below) | 587.12 | 587.12 |
| Goods and Service Tax | 33.74 | 19.75 |
| Others | 14.82 | 15.06 |
| **3 Guarantees/counter guarantees given by the company to:** | | |
| Bank guarantees given to various authorities | 836.91 | 754.96 |
| Custom authorities | 3.47 | 3.47 |
| **4 Other commitments** | | |
| Provident fund | 4.09 | 4.09 |

**Notes:**

1. NDL Ventures Limited (Formerly known as NXTDIGITAL Limited ) has received income tax demand pertaining to IT/ ITES business aggregating Rs.71.45 Crore in respect of period prior to October 1, 2006 which is reimbursable by the Company pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Company had paid Rs. 55.50 Crore to NDL Ventures Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Company has received refund of Rs. Nil including interest of Rs. Nil during the year (March 31, 2025- Rs. Nil including interest of Rs. Nil).

   NDL Ventures Limited (Formerly known as NXTDIGITAL Limited ) also received income tax demand pertaining to IT/ ITES business in respect of the same issue for the A.Y. 2002-03 to A.Y 2007-08. Pursuant to the Scheme of Arrangement and Reconstruction for merger of Digital, Media & Communications Business into the Company sanctioned by High Court of Judicature of Bombay and made effective on February 1, 2022, all liabilities of the demerged undertaking stand transferred to Resulting Company. The aggregate demand is Rs. 170.91 Crore including interest Rs. 82.91 Crore (March 31, 2025 - Rs. 170.91 Crore, Rs. 82.91 Crore respectively).

2. The Company has received Income Tax Demand orders for the A.Y. (Assessment Year) 2007-08 to A.Y. 2011-12. In all the above assessment orders, demand has been raised mainly on account of denial of section 10A benefit as per the Income Tax Act 1961 in respect of profit earned by the Company's undertaking in Software Technology Parks. The aggregate demand is Rs. 106.74 Crore including interest Rs. 19.25 Crore (March 31, 2025 - Rs. 106.11 Crore, Rs. 19.25 Crore respectively).

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

Against the above demands, the respective companies have made various appeals before the relevant Appellate Authority; NDL Ventures Limited received a favourable order from Honourable High Court of Bombay in respect of year 2005-06 dated July 26, 2017. The Honourable Supreme Court of India has admitted a Special Leave Petition (SLP) in respect of the same matter for the years A.Y. 2002-03 to A.Y 2005-06. Future cash outflow in respect of above, if any, is determinable only on receipt of judgements/ decisions pending with relevant authorities and accordingly the amounts are disclosed as a contingent liability. In view of legal advice obtained the Management considers these disallowances as not tenable against us, and therefore no provision for this tax contingency has been recognised.

3 **Entertainment tax ('ET') material disputes are given below:**

Entertainment tax on Local cable operator (LCO) Points (Maharashtra)

The Government of Maharashtra issued Resolution No. - ENT2013/PK59/T-1 ('GR') dated 7 March 2013 for payment of ET on franchisee points by Multi System Operator (MSO). Accordingly, the ET authorities issued demand notices of Rs 18.09 Crore relating to Mumbai, Nagpur and Nashik as under:

| S. No. | Period | Notice Issued by | City | March 31, 2026 | March 31, 2025 |
|---|---|---|---|---|---|
| a. | April 2013 – September 2013 | District Collector/ Tahsildar | Mumbai | 5.07 | 5.07 |
| b. | April 2013 – June 2013 | Office of District Collector | Nagpur | 1.81 | 1.81 |
| c. | April 2013 - July 2013 | Office of District Collector | Nashik | 0.41 | 0.41 |
| d. | July 2013 – October 2014 | Office of District Collector | Nagpur | 10.80 | 10.80 |
| | | | | **18.09** | **18.09** |

In response to the demand notice issued by the ET authorities in Nagpur, the Company has filed a writ petition with Hon'ble High Court of Bombay (Nagpur Bench) challenging the order of Collector and the validity of GR. The matter shifted to Bombay Bench for Consolidation with writ filed by other MSO's and local cable operator ('LCO') associations in Mumbai and Nashik for similar demand order issued. In the interim, for writ filed by the Company before Nagpur Bench, the Hon'ble High Court of Bombay has stayed any recovery proceeding against the Company and in all writ petitions, Hon'ble High Court of Bombay has directed the LCOs to deposit the ET directly to the Entertainment tax authorities or through the Hon'ble High Court of Bombay. Based on the Orders of the Court, collectors in Mumbai have started to collect the Entertainment tax from the LCO's.

'The Government of Maharashtra has vide an Ordinance dated 10 February 2014 amended the Maharashtra Entertainment Duty Act, 1923 and the said ordinance was replaced with an Act and amendments passed by the ordinance become part of the Maharashtra Entertainment Duty Act, 1923 vide amendment dated 25 July 2014. The constitutional validity of the Ordinance and the Amendments has been challenged by another MSO and a LCO federation in Maharashtra before the Hon'ble High Court of Bombay. The Company has amended its writ petitions filed before Hon'ble High Court of Bombay.

Based on the above facts, the Company is of the opinion that liability for payment of ET on LCO points for the period April 2013 to June 2017 is not required to be provided in its books as the amount of entertainment tax payable is not ascertainable by the company at this stage and it is not payable by the Company.

4. **Order from Service tax authorities for reversal of Cenvat Credit on Counter-veiling duty ('CVD') paid on import of Set-top boxes ('STB')**

Effective November 2012, Digital Access System (DAS) was introduced in the broadcasting industry in India, in a phased manner, pursuant to which the Company had paid CVD on imported STB's. The Company issues STBs to end subscribers through LCOs (in some cases directly to subscribers) on payment of activation charges. These STBs are not sold to customers and continue to be asset of the Company. STB's are used for providing output service i.e. Cable operator service. The Company has claimed input credit of CVD paid on import against the output liability on Cable operator services under Rule 3 of CENVAT Credit

Rules, 2004. The Service Tax Authorities had issued two show cause notice for the period April 2010 to December 2014 and January 2015 to June 2017, denying the claim of the Company for providing Cable operator services for LCO Points, contending STBs are not necessary for providing said services, thus CVD paid on such STBs cannot be availed as input credit under Cenvat Credit Rules, 2004. The matter was heard by Commissioner of the Service Tax during 2023-2024 and an Order was passed confirming the demand in both the show cause notices along with penalty amounting to Rs 126.53 crore. In response to the Order, the Company has filed an appeal with the Central Excise and Appellate Tribunal (CESTAT) in April 2019. Based on the above facts, the Company is of the opinion that it still remains the owner of STBs and such STBs have direct nexus with providing of Cable operator services and is thus eligible for input credit and accordingly does not require to make any provisions in the books.

**5. Value added tax (VAT) material disputes are given below :**

The Company had paid service tax on the activation fees of set top boxes (STB). The VAT authorities in the state of Telangana, Uttar Pradesh, Andhra Pradesh, Karnataka and Chattisgarh passed orders respectively treating the transaction as transfer of Right to use/ Deemed sale and levied VAT. The Company has filed appeal with respective Appellate authorities. The Company is of the opinion that it still remains the owner of STBs. Though physical control of STB is passed on to the end subscriber effective control remains with the Company hence the transaction is not required to be taxed as transfer of Right to use/ Deemed sale. Accordingly the Company is of the opinion that it does not require to make any provisions in the books for the said demand.

**6. License fee demand notice from Department of Telecommunication :**

The Company received notices during the financial year 2017-2018 from the Department of Telecommunication (DOT) towards alleged revenue loss due to license fees payable along with interest and penalty thereon, for the period 2010-2011 to 2014-2015, aggregating to Rs. 507.75 crore, under the License No. 820-5/2002-LR dated 16 May 2002 (hereinafter referred to as ISP License) and Unified License bearing No. 821-52/2013-DS for ISP Category A for PAN India. During the said period i.e from 2010-15, the ISP license was in the name of IndusInd Media and Communications Limited (IMCL) which was subsequently transferred to ONEOTT Intertainment Limited (OIL) with effect from 1 April 2015. DOT demand on the Company was stayed by TDSAT vide its order dated 20 December 2017 and the said stay has not been vacated as on the date of balance sheet.

Although the above referred license has been transferred by IMCL to OIL, the amounts mentioned above have been reported under contingent liability in view of the counter indemnity given by IMCL in favour of OIL, against the indemnity given by OIL to DoT to service any past liability in connection with the said license.

'Further, in connection with Network Operations Services availed by the Company from OIL, for the periods starting from Mar 2018 onwards, the Company has given an indemnity to reimburse a sum of Rs 9.40 crore (as at 31st Mar 2024: Rs 9.40 crore) along with applicable interest, penalty and interest on penalty towards license fees payable on the adjusted gross revenues thereon, in the event the same becomes a crystallized liability in the hands of OIL. In light of the Hon'ble Supreme Court's judgement in FY 20, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. The Company have filed representations at appropriate authorities denying the alleged liabilities.

'TDSAT vide its order dated 12 June 2020 has set aside the impugned demands and directed DoT to issue directives for maintaining level playing field for all operators. Relying on an independent legal expert's opinion, the Company and OIL continue to believe that the demands will not be upheld and therefore has disclosed these as Contingent Liabilities.

The Company has received revised demand for F.Y.2014-15, the earlier demand was Rs. 90.18 Crore, which got revised to Rs. 160.14 Crore.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

7. **Custom Duty on Activation Fee**

   The Company had received Show cause notice from the Directorate of Revenue Intelligence (DRI), Mumbai for evasion of Custom Duty on payment of activation fees to Nagra Vision SA and inadvertent claim of Exemption for payment of Special Additional Duty pursuant to Notification No. 21/2012 dated 17 March 2012. The Additional Director General DRI (Adjudication) vide its order dated 28 February 2018 rejected the submissions made by the Company and passed the order confirming a demand of Rs 9.27 crore (including penalty and redemption fine). The Company has filed an Appeal before the CESTAT, Mumbai in June 2018. Based on the contention that the amount paid to Nagra Vision SA is towards activation fees and not licence fees, the Company expects that the outcome of the matter will be favorable to the Company on the basis of the Appeal and hence has included the demand as above under contingent liabilities. In addition to above order, during the Previous Year, Company had received a new Show Cause Notice on similar issue for Cable and HITS Division. The reply has already been filed by the Company and the matter got heared before the Adjudicating Authority in the previous year. Company has received a lettter dated 26th March, 2021, intimating that the adjudication proceeding to be kept pending under the relevant provision of the Custom Act, 1962. The decision to keep the proceedings on hold is on account of the Hon'ble Supreme Court Judgment dated 09/03/2021 in the case of M/s. Canon India Private Limited V/s. Commissioner of Customs.

8. **Provident Fund**

   The Company has proceedings pending with the Income tax, Service tax authorities, Customs tax authorities, Sales tax authorities and Local body tax authorities. The Company has reviewed all its pending proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable and quantifiable, in these standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on these standalone financial statements.

9 The Company has proceedings pending with the Income tax, Service tax authorities, Customs tax authorities, Sales tax authorities and Local body tax authorities. The Company has reviewed all its pending proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable and quantifiable, in these standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on these standalone financial statements.

**10.** The Company has given an undertaking to three banks (i.e. Yes Bank Ltd., Axis Bank Ltd. and RBL Bank Ltd.) to retain shareholding to the extent of 51% in the subsidiary viz. IndusInd Media & Communications Limited (IMCL) until all the amounts outstanding under various Facility Agreements entered into by IMCL with the said banks are repaid in full by IMCL. As at the balance sheet date there are no outstanding amounts payable to RBL Bank Limited.

**b) Capital and other commitments:**

(i) Estimated Amount of Contracts (net of capital advances) remaining to be executed on capital account Rs. 16.96 Crore. (March 31, 2025: Rs. 16.07 Crore).

(ii) The Company has issued an Undertaking to the following step-down subsidiaries to provide need based financial support and is committed, if needed, to continue such support to meet the ongoing obligations.

   i. HGS Mena FZ LLC

   ii. C-Cubed B.V

   iii. C-Cubed N.V

   iv. HGS St. Lucia

   v. HGS CX Technologies Inc.( including subsidiaries)

   There has been no payments during the year against these undertakings.( Previous year- Nil)

(iii) The Company has given letter of comfort to banks for credit facilities availed by its subsidiary IndusInd Media & Communications Ltd.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 36 Earnings per share (EPS))

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **Numerator for Basic and Diluted EPS** | | |
| Profit attributable to the equity holders of the company (₹ in Crore) | (160.58) | (322.78) |
| Weighted average number of equity shares (Nos.) for calculating basic earnings per share | 46,520,285 | 46,520,285 |
| Number of equity shares ( Nos.) for calculating diluted earnings per share | 46,520,285 | 46,520,285 |
| Basic EPS attributable to the equity holders of the Company (₹) | (34.52) | (69.38) |
| Diluted EPS attributable to the equity holders of the Company (₹) | (34.52) | (69.38) |
| Nominal value of shares (₹) | 10.00 | 10.00 |
| Number of shares considered for basic EPS (Nos.) | 46,520,285 | 46,520,285 |
| Add: Shares deemed to be issued for no consideration in respect of Employee stock options (Nos.) | - | - |
| Number of shares considered for diluted EPS (Nos.) | 46,520,285 | 46,520,285 |

## 37 Assets pledged as security (Refer note 18 & 48 )

The Company had pledged certain assets as security for its current and non current borrowings. The carrying amounts of such assets pledged as security are:

| Notes | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **Current** | | |
| Financial Assets | | |
| First Charge | | |
| Current Assets | 1,679.68 | 1,355.86 |
| **Total current assets pledged as security** | **1,679.68** | **1,355.86** |
| **Non-Current** | | |
| Exclusive charge | | |
| Movable fixed assets (Refer note below) | 177.49 | 159.54 |
| **Total non-current assets pledged as security** | **177.49** | **159.54** |
| **Total assets pledged as security** | **1,857.17** | **1,515.40** |

| Particulars | Net carrying amount as at March 31, 2026 | Net carrying amount as at March 31, 2025 |
|---|---|---|
| Furniture and Fixtures (Refer note 2) | 1.50 | 1.54 |
| Vehicles (Refer note 2) | 1.25 | 2.05 |
| Office Equipment (Refer note 2) | 3.16 | 3.88 |
| Plant and equipment (Refer note 2) | 66.36 | 78.35 |
| Set top boxes (STB) (Refer note 2) | 83.26 | 50.74 |
| Computers (Refer note 2) | 21.96 | 22.98 |
| **Total** | **177.49** | **159.54** |

## 38 Impairment

**Goodwill movement:**

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **Opening Balance** | **30.33** | **30.33** |
| Add: Additions | - | - |
| **Closing Balance** | **30.33** | **30.33** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

Goodwill is tested for impairment at each reporting date. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company Cash Generating Unit (""CGU"") or groups of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of CGU is higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

The carrying value of goodwill is allocated to the following CGU's

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Business process management - India Human resource operations | 24.93 | 24.93 |
| Business process management - Digital& financial planning and analytics services business | 5.40 | 5.40 |
| **Total** | **30.33** | **30.33** |

The recoverable amount was computed based on value-in-use calculations. Value-in-use is calculated using the pre -tax discount rates.

The future cash flows are based on the medium and long-term business plans approved by the Management and reviewed by the board of directors.

The average range of key assumptions used for the calculations are as follows:

(in %)

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Growth rate | 10% to 27.7% | 5% to 12.2% |
| Post tax discount rate | 11.0% to 12.8% | 11.09% to 13.51% |
| Terminal growth rate | 2%-3% | 1%-3% |

Based on the above no impairment was identified as of March 31, 2026 and March 31, 2025 as the recoverable value of CGU's exceeded their carrying value. An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the recoverable amount of the CGU would fall below their respective carrying amounts.

Reasonable sensitivities in the key assumptions consequent to the change in estimated future economic conditions is unlikely to cause the carrying amount of any of the cash generating units to exceed the recoverable amount.

## 39 Income tax expense

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **a) Income tax expense** | | |
| **Current tax** | | |
| Current tax on profits for the year | 12.16 | 5.45 |
| Adjustments for current tax relating to prior years | (13.16) | 1.13 |
| **Total current tax expense** | **(1.00)** | **6.58** |
| **Deferred Tax** | | |
| Decrease/ (Increase) in Deferred tax assets | 28.44 | 73.39 |
| **Total Deferred tax expense/(benefit)** | **28.44** | **73.39** |
| **Income tax expense** | **27.44** | **79.97** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

b) **Reconciliation of income tax expense and the accounting profit multiplied by the Indian statutory tax rate**

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Profit before income tax expense | (133.14) | (242.81) |
| **Tax at Indian tax rate of 25.168% (2024-25 - 25.168%)** | **(33.51)** | **(61.11)** |
| Tax effects of amounts which are not deductible (taxable) in calculating taxable income | | |
| Expenses towards corporate social responsibility disallowed | 0.10 | 2.09 |
| Difference in overseas tax rate for foreign operation | 0.09 | 0.02 |
| Adjustments for current tax of prior periods | (13.16) | 1.13 |
| Deferred Tax Assets recognised/written off prior years | 6.02 | 43.32 |
| Other adjustments [mainly on account of non-recognition of deferred tax on unabsorbed business loss on prudence basis) | 67.89 | 94.52 |
| **Total Income Tax expense /(Income)** | **27.44** | **79.97** |

## 40 Deferred tax liabilities & Deferred tax assets

The balance comprises temporary differences attributable to:

The components of deferred tax assets/ liabilities are follows

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Property, plant and equipment including Intangible assets | 27.51 | 27.96 |
| Leases | 46.93 | 39.32 |
| Others | 9.64 | - |
| **Total Deferred tax liabilities** | **84.08** | **67.28** |
| Provision for gratuity/ pension | 23.77 | 16.96 |
| Provision for compensated absences | 4.79 | 10.41 |
| Derivatives | 1.74 | 0.26 |
| Allowances for doubtful debts | 14.89 | 17.19 |
| Deferred tax asset on Brought forward Losses and Loss for the year (Refer note 1) | 33.59 | 39.61 |
| Others | - | 4.45 |
| **Total Deferred Tax Assets** | **78.78** | **88.88** |
| **Net deferred tax assets/ (liabilities)** | **(5.30)** | **21.60** |

**Movement in Deferred Tax Assets/ Liabilities**

| | April 1, 2025 | Credit/ (Charge) in the statement of profit and loss | Credit/ (Charge) in the other comprehensive income | Effect of Foreign currency differences | March 31, 2026 |
|---|---|---|---|---|---|
| Property, Plant & Equipment including Intangible assets | (27.96) | 0.45 | - | - | (27.51) |
| Provision for Gratuity / Pension | 16.96 | 6.34 | 0.47 | - | 23.77 |
| Provision for Compensated Absences | 10.41 | (5.62) | - | - | 4.79 |
| Derivatives | 0.26 | - | 1.48 | - | 1.74 |
| Allowance for Doubtful Debts | 17.19 | (2.30) | - | - | 14.89 |
| Deferred tax on monetary assets | - | 0.12 | (0.12) | - | - |
| Leases | (39.32) | (7.61) | - | - | (46.93) |
| DTA on Brought forward Losses (Refer Note 1) | 39.61 | (6.02) | - | - | 33.59 |
| Others | 4.45 | (13.80) | - | (0.29) | (9.64) |
| **Total** | **21.60** | **(28.44)** | **1.83** | **(0.29)** | **(5.30)** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | April 1, 2024 | Credit/ (Charge) in the statement of profit and loss | Credit/ (Charge) in the other comprehensive income | Effect of Foreign currency differences | March 31, 2025 |
|---|---|---|---|---|---|
| Property, Plant & Equipment including Intangible assets | (25.76) | (2.20) | - | - | (27.96) |
| Provision for Gratuity / Pension | 18.74 | (2.79) | 1.01 | - | 16.96 |
| Provision for Compensated Absences | 1.68 | 8.73 | - | - | 10.41 |
| Derivatives | 0.76 | - | (0.50) | - | 0.26 |
| Allowance for Doubtful Debts | 14.72 | 2.47 | - | - | 17.19 |
| Deferred tax on monetary assets | - | (2.44) | 2.44 | - | - |
| Leases | (20.19) | (19.13) | - | - | (39.32) |
| DTA on Brought forward Losses (Refer Note 1) | 82.93 | (43.32) | - | - | 39.61 |
| Others | 22.33 | (14.71) | - | (3.17) | 4.45 |
| **Total** | **95.21** | **(73.39)** | **2.95** | **(3.17)** | **21.60** |

**Notes:**

1. During the year ended March 31, 2026, the Company has recognised deferred tax assets amounting to Rs. 33.59 Crore (Previous year ended March 31, 2025 Rs. 39.61 Crore), mainly on account of carried forward unused tax losses and unused depreciation, on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future.

## 41 Employee benefit obligations

### (i) Compensated Absences

The leave obligations cover the Company's liability for earned leaves of employees.

The amount of the provision of Rs. 26.07 Crore (As at March 31, 2025: Rs. 22.00 Crore) out of which, Rs. 12.16 Crore (As at March 31, 2025: Rs. 8.82 Crore ) has been disclosed as current and Rs. 13.91 Crore (As at March 31, 2025: Rs. 13.18 Crore ) is disclosed as non-current. Based on past experience, the Company does not expect all employees to take the full amount of accrued leaves to make payments in lieu of accrued leaves within the next 12 months.

### (ii) Post-employment obligations

#### a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India (LIC) as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority Regulations. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(All amounts are in ₹ Crore)

**b) Pension benefits**

The Branch has a non-contributory and actuarially computed defined benefit pension plan covering substantially all of its employees. The benefits are based on years of service and compensation at the date of retirement, as defined in the policies of the Company.

The plan provides lump sum benefits upon retirement, death, total and permanent disability and separation from service from completion of at least five years of service. Under the provisions of the retirement plan, the normal retirement age is 60 with at least 5 years of credited service, but early retirement is possible for employees reaching age 50 with at least 10 years of credited service. Normal retirement is entitled to 1.5 months basic salary per year of service while early retirement with 10 to 15 years' service is entitled to 1 month basic salary per year of service or 1.5 months per year of service if tenure is beyond 15 years. Employees below 50 years old with at least 10 years of service are entitled to the retirement benefit in case of voluntary separation. 10 to 15 years of service is eligible for 50% of monthly basic pay per year of service, 75% for 15 to 20 years, and 100% of monthly basic pay for 20 years tenure or more.

Plan assets are held in trust by a trustee bank, which is governed by local regulations and practice in the Philippines. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The largest proportion of assets is invested in debt securities. The Branch believes that debt securities offer the best returns over long term with an acceptable level of risk.

**(iv) Defined contribution plans**

The Company has classified various benefits provided to employees as under:

a) Provident Fund

b) Superannuation Fund

c) State Defined Contribution Plans:

 i Employers' Contribution to Employee's State Insurance

d) Other Statutory contribution schemes

Amounts recognized in the Statement of Profit and Loss pertaining to the contribution to the above contribution plans are as follows:

| | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Employers' Contribution to Provident Fund | 29.33 | 30.61 |
| Employers' Contribution to Employee's State Insurance | 1.88 | 2.04 |
| Employer's Contribution to Other Employees' contribution Scheme | 16.10 | 9.54 |
| **Total** | **47.31** | **42.19** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**(iv) Defined Benefit Plan**

**Balance sheet amounts - Pension plan**

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation are as follows:

| | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|
| **April 1, 2024** | **34.53** | **(2.16)** | **32.37** |
| Current service cost | 3.43 | - | 3.43 |
| Net Interest cost | 2.17 | (0.09) | 2.08 |
| **Total amount recognized in Statement of profit and loss** | **5.60** | **(0.09)** | **5.51** |
| Remeasurements | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | 0.14 | 0.14 |
| - Actuarial (gain)/loss arising from change in demographic assumptions | - | - | - |
| - Actuarial (gain)/loss arising from change in financial assumptions | 5.04 | - | 5.04 |
| - Actuarial (gain)/loss arising from experience adjustments | (0.97) | - | (0.97) |
| **Total amount recognized in other comprehensive income** | **4.07** | **0.14** | **4.21** |
| Exchange differences (recognised in Foreign Currency translation reserve) | 0.42 | (0.28) | 0.14 |
| Contributions: | | | |
| - Employers | - | (8.89) | (8.89) |
| - Plan participants | - | - | - |
| Payments from plan: | | | |
| Benefit payments | (1.76) | 1.76 | - |
| **March 31, 2025** | **42.86** | **(9.52)** | **33.34** |

(All amounts are in ₹ Crore)

| | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|
| **April 1, 2025** | **42.86** | **(9.52)** | **33.34** |
| Current service cost | 4.21 | - | 4.21 |
| Net Interest cost | 2.77 | (0.62) | 2.15 |
| **Total amount recognized in Statement of profit and loss** | **6.98** | **(0.62)** | **6.36** |
| Remeasurements | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | 0.50 | 0.50 |
| - Actuarial (gain)/loss arising from change in demographic assumptions | (2.28) | - | (2.28) |
| - Actuarial (gain)/loss arising from change in financial assumptions | 0.70 | - | 0.70 |
| - Actuarial (gain)/loss arising from experience adjustments | (1.29) | - | (1.29) |
| **Total amount recognized in other comprehensive income** | **(2.87)** | **0.50** | **(2.36)** |
| Exchange differences (recognised in Foreign Currency translation reserve) | 1.34 | (0.35) | 0.99 |
| Contributions: | | | |
| - Employers | - | (10.05) | (10.05) |
| - Plan participants | | - | - |
| Payments from plan: | | | |
| Benefit payments | (9.83) | 9.83 | - |
| **March 31, 2026** | **38.48** | **(10.20)** | **28.27** |

The company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

**Balance sheet amounts - Gratuity**

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation are as follows:

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**BPM Segment**

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2024** | **20.60** | **1.88** | **22.48** | **(8.42)** | **14.06** |
| Current Service Cost | 2.48 | 0.14 | 2.62 | - | 2.62 |
| Interest expense/(income) | 1.46 | 0.13 | 1.60 | (0.60) | 1.00 |
| **Total Amount recognized in Statement of profit and loss** | **3.94** | **0.27** | **4.22** | **(0.60)** | **3.62** |
| Remeasurements | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | 0.07 | 0.07 |
| - Actuarial (gain)/loss arising from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss arising from change in financial assumptions | 0.43 | 0.01 | 0.44 | - | 0.44 |
| - Actuarial (gain)/loss arising from Experience adjustments | 2.90 | 0.48 | 3.38 | - | 3.38 |
| **Total amount recognized in other comprehensive income** | **3.33** | **0.49** | **3.82** | **0.07** | **3.89** |
| Employer contributions | - | - | - | (0.05) | (0.05) |
| Benefit payments | (1.90) | (0.28) | (2.18) | 1.90 | (0.28) |
| **March 31, 2025** | **25.97** | **2.37** | **28.34** | **(7.10)** | **21.24** |

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2025** | **25.97** | **2.37** | **28.35** | **(7.10)** | **21.25** |
| Current Service Cost | 3.36 | 0.23 | 3.59 | - | 3.59 |
| Interest expense/(income) | 1.82 | 0.18 | 1.99 | (0.37) | 1.62 |
| Past Service Cost | 7.19 | 0.63 | 7.81 | - | 7.81 |
| **Total Amount recognized in Statement of profit and loss** | **12.37** | **1.03** | **13.39** | **(0.37)** | **13.02** |
| Remeasurements | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | 0.06 | 0.06 |
| - Actuarial (gain)/loss arising from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss arising from change in financial assumptions | 0.70 | 0.02 | 0.71 | - | 0.71 |
| - Actuarial (gain)/loss arising from Experience adjustments | 2.22 | 1.24 | 3.46 | - | 3.46 |
| **Total amount recognized in other comprehensive income** | **2.92** | **1.26** | **4.17** | **0.06** | **4.23** |
| Employer contributions | - | - | - | (0.01) | (0.01) |
| Liability Transferred In | - | - | - | - | - |
| Other adjustment | - | - | - | - | - |
| Benefit payments | (5.34) | (1.08) | (6.43) | 5.34 | (1.08) |
| **March 31, 2026** | **35.91** | **3.58** | **39.49** | **(2.08)** | **37.40** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**Media Segment**

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2024** | **7.21** | **-** | **7.21** | **(7.94)** | **(0.73)** |
| Current Service Cost | 0.55 | - | 0.55 | - | 0.55 |
| Interest expense/(income) | 0.38 | - | 0.38 | (0.56) | (0.18) |
| **Total Amount recognized in Statement of profit and loss** | **0.93** | **-** | **0.93** | **(0.56)** | **0.37** |
| Remeasurements: | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | 0.10 | 0.10 |
| - Actuarial (gain)/loss arising from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss arising from change in financial assumptions | 0.15 | | 0.15 | - | 0.15 |
| - Actuarial (gain)/loss arising from Experience adjustments | 1.04 | | 1.04 | - | 1.04 |
| **Total amount recognised in other comprehensive income** | **1.19** | **-** | **1.19** | **0.10** | **1.29** |
| Employer contributions | - | - | - | (1.24) | (1.24) |
| Liability Transferred out | (1.86) | - | (1.86) | 3.19 | 1.33 |
| Other adjustment | - | - | - | | - |
| Benefit payments | (1.01) | - | (1.01) | 1.01 | - |
| **March 31, 2025** | **6.46** | **-** | **6.46** | **(5.44)** | **1.02** |

| | Funded | Unfunded | Present Value of Defined benefit obligation | Fair value of plan assets | Net Amount |
|---|---|---|---|---|---|
| **April 1, 2025** | **6.46** | **-** | **6.46** | **(5.44)** | **1.02** |
| Current Service Cost | 0.46 | - | 0.46 | - | 0.46 |
| Past Service Cost | 0.88 | - | 0.88 | - | 0.88 |
| Interest expense/(income) | 0.44 | - | 0.44 | (0.38) | 0.06 |
| **Total Amount recognized in Statement of profit and loss** | **1.78** | **-** | **1.78** | **(0.38)** | **1.40** |
| Remeasurements: | | | | | |
| - Return on plan assets, excluding amounts included in interest expense/(income) | - | - | - | (0.06) | (0.06) |
| - Actuarial (gain)/loss arising from change in demographic assumptions | - | - | - | - | - |
| - Actuarial (gain)/loss arising from change in financial assumptions | (0.25) | - | (0.25) | - | (0.25) |
| - Actuarial (gain)/loss arising from Experience adjustments | 0.52 | - | 0.52 | - | 0.52 |
| **Total amount recognised in other comprehensive income** | **0.27** | **-** | **0.27** | **(0.06)** | **0.21** |
| Employer contributions | - | - | - | (1.16) | **(1.16)** |
| Liability Transferred in | - | - | - | (0.06) | (0.06) |
| Liability Transferred out | - | - | - | 0.02 | 0.02 |
| Other adjustment | - | - | - | - | - |
| Benefit payments | (1.10) | - | (1.10) | 1.10 | - |
| **March 31, 2026** | **7.41** | **-** | **7.41** | **(5.98)** | **1.43** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

The following table shows the breakdown of the defined benefit obligation and plan assets:

| | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | **Gratuity** | **Pension** | **Total** | **Gratuity** | **Pension** | **Total** |
| Present Value of Obligation | 46.89 | 38.48 | 85.37 | 34.80 | 42.86 | 77.66 |
| Fair value of plan assets | (8.06) | (10.20) | (18.27) | (12.54) | (9.52) | (22.06) |
| **Total Liability** | **38.83** | **28.27** | **67.11** | **22.26** | **33.34** | **55.60** |

**(v) Actuarial assumptions pension and gratuity**

The significant actuarial assumptions were as follows:

| | Year ended March 31, 2026 | | Year ended March 31, 2025 | |
|---|---|---|---|---|
| | **Pension** | **Gratuity** | **Pension** | **Gratuity** |
| Discount Rate | 6.97% | 5.72%-7.27% | 6.27% | 6.54%-7.11% |
| Salary growth rate | 5% - 6% | 5% - 8% | 5% - 8% | 6% - 8% |
| Rate of return on Plan assets | 6.97% | 5.72%-7.27% | 6.27% | 6.54%-7.11% |
| Mortality rate | 1994GAMT | Indian Assured Lives Mortality 2012-14 (Urban) | 1994GAMT | Indian Assured Lives Mortality 2012-14 (Urban) |
| Rate of Employee turnover | 6% to 52% p.a. | Agent - 40% p.a. Core - 25% p.a. Others - 20% p.a. to 70% p.a and For service 4 years and below 12.00% p.a. For service 5 years and above 2.00% p.a. | 8% to 37% p.a. | Agent - 40% p.a. Core - 25% p.a. Others - 20% p.a. to 70% p.a |

Assumptions regarding mortality experience are set based on advice from published statistics.

The discount rate is primarily based on the prevailing market yields of government securities for the estimated term of the obligations. The estimates of future salary increases takes into account the inflation, seniority and other relevant factors. Attrition rate considered is the Management estimate based on past experience of employee turnover. The expected return on plan assets is based on expectation of the average rate of return expected on investment of the fund.

**(vi) Sensitivity Analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

**Impact on defined benefit obligation**

| | Change in assumption | | Increase in assumption | | Decrease in assumption | |
|---|---|---|---|---|---|---|
| | **March 31, 2026** | **March 31, 2025** | **March 31, 2026** | **March 31, 2025** | **March 31, 2026** | **March 31, 2025** |
| Discount Rate | 1% | 1% | (4.20) | (4.17) | 4.30 | 4.28 |
| Salary Growth rate | 1% | 1% | 4.20 | 4.26 | (4.23) | (4.29) |

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

(All amounts are in ₹ Crore)

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year

**(vi) The major categories of plan assets are as follows**

| | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Level -1 | Level-3 | Total | Level -1 | Level-3 | Total |
| **Pension** | | | | | | |
| Debt Instruments | | | | | | |
| - Government Bonds | 0.47 | - | 0.47 | 0.76 | - | 0.76 |
| - Corporate Bonds | 9.71 | - | 9.71 | 4.66 | - | 4.66 |
| Cash and cash equivalents | 0.00 | - | 0.00 | 3.28 | - | 3.28 |
| Others | 0.02 | - | 0.02 | 0.82 | - | 0.82 |
| **Gratuity** | | | | | | |
| Investment funds | | | | | | |
| - Insurance Funds (LIC Pension and Group Schemes fund) | - | 8.06 | 8.06 | - | 12.54 | 12.54 |
| **Total** | **10.20** | **8.06** | **18.26** | **9.52** | **12.54** | **22.06** |

**(viii) Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

| | |
|---|---|
| Asset volatility | The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. |
| Changes in bond yields | A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the planas' bond holdings. |
| Life expectancy | The pension is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy. |

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets in FY 2024-25 (PY 2023-24) consists of government & corporate bonds and LIC Pension. The plan asset mix is in compliance with the requirements of the respective local regulations.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**(ix) Defined benefit liability and employer contributions**

Expected contributions to post-employment benefit plans for the year ending March 31, 2026 is Rs. 16.22 Crore [Gratuity Rs. 12.32 Crore; Pension Rs. 3.9 Crore]

The weighted average duration of Gratuity plan obligation is 4-10 years. The weighted average duration of Pension plan obligation is 11 years. The expected maturity analysis of undiscounted pension and gratuity is as follows:

| | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| **March 31, 2026** | | | | | |
| Pension plan benefit obligation | 3.90 | 8.12 | 19.24 | 160.40 | **191.65** |
| Gratuity plan benefit obligation | 12.32 | 7.36 | 15.83 | 15.49 | **46.46** |
| **Total** | **16.22** | **15.48** | **35.06** | **171.34** | **238.11** |

| | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| **March 31, 2025** | | | | | |
| Pension plan benefit obligation | 10.36 | 5.66 | 12.97 | 170.67 | **199.66** |
| Gratuity plan benefit obligation | 8.65 | 4.98 | 12.38 | 12.96 | **38.97** |
| **Total** | **19.01** | **10.64** | **25.35** | **183.63** | **238.63** |

The company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

## 42 Capital management

**A) Capital Structure**

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholder's and benefits for other stakeholder's, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder's, return capital to shareholder's, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings offset by net of cash and cash equivalents)/Total 'equity' as shown in the balance sheet

The gearing ratios were as follows:

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Total borrowings (Refer Note 18 ) | 511.03 | 527.45 |
| Cash and cash equivalents(Refer Note 12a) | (111.08) | (115.38) |
| Net Debt | 399.95 | 412.07 |
| Total Equity | 2,583.15 | 2,740.71 |
| Net Debt to Equity ratio* | 15% | 15% |

* Lease liabilities are not included for computing the gearing ratio.

(All amounts are in ₹ Crore)

**Loan covenants**

The Company has complied with financial covenants implied as a part of external borrowing facilities throughout the reporting year.

**B) Dividends**

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| **(i) Equity shares** | | |
| Final dividend for the year ended March 31, 2025 of Rs.Nil (March 31, 2024 - Rs. 7) per fully paid equity share | - | 32.53 |
| **(ii) Dividends not recognized at the end of the reporting period** | | |
| In addition to the above dividends, since year end the directors have recommended payment of a final dividend of Rs.Nil (March 31, 2025 - Rs.Nil) per fully paid equity share . This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | - | - |

Note: The Company has complied with u/s 123 of the Companies Act 2013.

## 43 Related Party Transactions and Balances

**I) Individual having control / joint control on the Company**

**a. Board of Directors**

1. Mr. Ashok P. Hinduja - Non Independent Director - Chairperson/ Promoter
2. Ms. Bhumika Batra - Independent Director
3. Dr. Ganesh Natarajan - Independent Director
4. Mr. Pradeep Udhas - Independent Director
5. Mr. Munesh Khanna - Independent Director
6. Mr. Amit Saharia - Non Independent Director (From September 25, 2025)
7. Mr. Vynsley Fernandes - Wholetime Director
8. Mr. Anil Harish - Independent Director (Upto September 28, 2025)
9. Mr. Sudhanshu Kumar Tripathi - Non Independent Director (Upto September 30, 2025)
10. Mr. Paul Abraham - Non Independent Director (Upto September 25, 2025)

**b. Relatives of Individuals Identified in (a) above**

1. Mrs. Harsha Ashok Hinduja
2. Mrs. Ambika Ashok Hinduja
3. Mr. Shom Ashok Hinduja

**c. Key Management Personnel**

1. Mr. Venkatesh Korla - Chief Executive Officer (From May 28, 2025)
2. Mr. Vynsley Fernandes - Whole-time Director
3. Mr. Partha DeSarkar - Whole-time Director & Chief Executive Officer (Upto September 03, 2025)

**II) Subsidiaries of Hinduja Global Solutions Limited (Includes step-down subsidiaries)**

1 HGS International

2 Hinduja Global Solutions LLC.(Formerly known as Hinduja Global Solutions Inc.) (upto February 14, 2025. The Company got merged with HGS CX Technologies Inc)

3 HGS Properties LLC

4 HGS Canada Holdings LLC (upto February 14, 2025. The Company got merged with HGS CX Technologies Inc)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

5 HGS Canada Inc.
6 HGS (USA) LLC (upto February 14, 2025. The Company got merged with HGS CX Technologies Inc)
7 Affina Company
8 Hinduja Global Solutions Mena FZ LLC (Voluntarily deregistered effective July 23, 2025)
9 Team HGS South Africa (Pty) ltd (Effective from March 27, 2024)
10 Hinduja Global Solutions UK Limited
11 C-Cubed N.V.
12 C-Cubed B.V.
13 Customer Contact Centre Inc.#
14 HGS St. Lucia Limited
15 Team HGS Limited
16 Falcon Health Solutions Puerto Rico LLC
17 Falcon Health Solutions Puerto Rico Holding LLC
18 HGS Digital, LLC (upto February 14, 2025. The Company got merged with HGS CX Technologies Inc)
19 Team HGS Australia Pty Ltd (Formerly known as Diversify Offshore Staffing Solutions Pty Ltd.)
20 Diversify Intelligent Staffing Solutions Inc (upto March 7, 2025. The Company got merged with Diversify ISS BGC Inc.)
21 Diversify ISS BGC Inc
22 Diversify Offshore Solutions Cebu Inc
23 HGS CX Technologies Inc.
24 HGS Colombia S.A.S (Effective on September, 2022 )
25 Teklink International LLC (Formerly known as Teklink International Inc) (upto February 14, 2025. The Company got merged with HGS CX Technologies Inc)
26 HGS AG (Formerly known as Teklink International AG)
27 IndusInd Media & Communications Limited
28 ONEOTT Intertainment Limited
29 Ajanta Sky Darshan Private Limited
30 Apna Incable Broadband Services Private Limited
31 Bhima Riddhi Infotainment Private Limited
32 Darpita Trading Company Private Limited
33 Gold Star Noida Network Private Limited
34 Goldstar Infotainment Private Limited
35 IN Entertainment (India) Limited
36 OneMahanet Intertainment Private Limited
37 RBL Digital Cable Network Private Limited
38 Sainath In Entertainment Private Limited
39 Sangli Media Services Private Limited
40 Sunny Infotainment Private Limited
41 United Mysore Network Private Limited
42 USN Networks Private Limited
43 Vinsat Digital Private Limited
44 Vistaar Telecommunication and Infrastructure Private Limited
45. Seven Star Balaji Broadband Private Limited
46. HGS Digital Private Limited (Effective April 1, 2025)

# Liquidated effective April 3, 2018 ( While officially liquidated, the repatriation of funds are not yet complete and hence these are still part of the consolidated financial statements).

(All amounts are in ₹ Crore)

**III Enterprises where common control exists**

1. Hinduja Group Limited
2. NDL Ventures Limited (Formerly known as NXTDIGITAL Limited)
3. Hinduja Realty Ventures Limited (Hinduja Estate Private Limited Merged with Hinduja Healthcare Limited and Hinduja Healthcare Limited Merged with Hinduja Realty Ventures Limited)
4. Aasia Corporation LLP (upto February 15, 2026)
5. Tabula Rasha Music LLP
6. Impeccable Imagination LLP
7. Hinduja Properties Limited
8. Aasia Exports (upto March 10, 2026)
9. Aasia Imports and Exports Private Limited (upto January 30, 2026)
10. Sidharth Textiles Private Limited
11. The British Metal Corporation (India) Private Limited
12. Aasia Advisory Services Limited
13. HFL Enterprises Private Limited (formerly known as HFL Enterprises Limited) (up to January 7, 2026)
14. Cyqure India Private Limited

**IV Enterprises where Significant Influence is exercised by Directors**

1. Barmag India Private Limited (Formerly known as Oerlikon Textile India Private Limited)

**V Close Member of Key Management Personnel including directors whether executive or otherwise**

1. Castle Media Private Limited (Mr. Vynsley Fernandes's relative is a Director)
2. Spyke Technologies Private Limited (Mr. Vynsley Fernandes's relative is a Director)
3. Hinduja Renewables Energy Pvt.Ltd ( Mr. Ashok Hinduja's Relative are Members/Director)
4. HR Sabarmati Private Limited ( (Mr. Ashok Hinduja's Relative are Members/Director) Related Party transactions and balances

The following details pertain to transactions carried out with the related parties in the ordinary course of business at an arm's length and the balances outstanding at the year-end:

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Rendering of services** | | | | | | |
| **Business Process Management** | | | | | | |
| HGS USA LLC | - | 264.06 | - | - | - | - |
| HGS CX Technologies Inc. | 463.89 | 82.23 | - | - | - | - |
| Hinduja Global Solutions UK Limited | 87.90 | 84.25 | - | - | - | - |
| HGS Canada Inc | 0.09 | 14.94 | - | - | - | - |
| Team HGS Limited | 45.77 | 11.24 | - | - | - | - |
| HGS Digital, LLC | - | 40.51 | - | - | - | - |
| Teklink International LLC | - | 76.90 | - | - | - | - |
| HGS AG | 22.40 | - | | | | |
| HGS Colombia S.A.S | - | 0.40 | - | - | - | - |
| OneOTT Intertainment Limited | 0.54 | 0.25 | - | - | - | - |
| IndusInd Media & Communications Limited | 0.03 | 0.25 | - | - | - | - |
| Barmag India Private Limited | - | - | - | - | 0.02 | 0.02 |
| Team HGS Australia pty ltd | 7.41 | 1.28 | - | - | - | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Diversify ISS BGC Inc | 0.23 | 0.12 | - | - | - | - |
| In Entertainment (India) Limited | 0.02 | 0.02 | - | - | - | - |
| Others | - | - | 0.85 | - | 0.37 | 0.18 |
| **Subscription Income** | | | | | | |
| Sangli Media Services Private Limited | 0.05 | 0.05 | - | - | - | - |
| **Installation Income** | | | | | | |
| Bhima Riddhi Infotainment Private Limited | 2.05 | 1.78 | - | - | - | - |
| **Lease income** | | | | | | |
| Vinsat Digital Private Limited | 1.22 | 2.17 | - | - | - | - |
| OneOTT Intertainment Limited | 20.63 | 27.68 | - | - | - | - |
| **Link Charges** | | | | | | |
| Sainath In Entertainment Private Limited | 0.99 | 1.11 | - | - | - | - |
| **Channel placement income** | | | | | | |
| In Entertainment (India) Limited | 1.20 | 1.20 | - | - | - | - |
| **Total** | **654.42** | **610.42** | **0.85** | **-** | **0.39** | **0.20** |
| **Interest Income** | | | | | | |
| HGS International | 30.44 | 37.24 | - | - | - | - |
| Hinduja Group Limited | - | - | - | - | 2.95 | 5.69 |
| Hinduja Realty Ventures Limited | - | - | - | - | 7.20 | 12.03 |
| IN Entertainment (India) Limited | 0.04 | 5.70 | - | - | - | - |
| Indus Ind Media & Communications Limited | 6.39 | 12.81 | - | - | - | - |
| OneOTT Intertainment Limited | 17.53 | 14.74 | - | - | - | - |
| **Total** | **54.41** | **70.49** | **-** | **-** | **10.15** | **17.72** |
| **Other Income - Service charges recovered** | | | | | | |
| HGS (USA) LLC | - | 2.06 | - | - | - | - |
| HGS Canada Inc | 12.60 | 4.94 | - | - | - | - |
| Hinduja Global Solutions UK Limited | 8.25 | 2.99 | - | - | - | - |
| Team HGS Limited | 6.69 | 2.45 | - | - | - | - |
| HGS Colombia S.A.S | 1.17 | 0.79 | - | - | - | - |
| HGS Digital, LLC | - | 1.06 | - | - | - | - |
| Diversify ISS BGC Inc | 5.72 | 1.79 | - | - | - | - |
| HGS CX Technologies Inc. | 15.41 | 2.32 | - | - | - | - |
| Team HGS Australia pty ltd | 3.14 | - | - | - | - | - |
| Team HGS South Africa (Pty) ltd | 1.58 | - | - | - | - | - |
| HGS AG | 0.20 | - | - | - | - | - |
| **Total** | **54.77** | **18.40** | **-** | **-** | **-** | **-** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Lease payments** | | | | | | |
| Hinduja Realty Ventures Limited | - | - | - | - | 1.46 | 2.66 |
| IndusInd Media & Communications Limited | 7.15 | 5.36 | - | - | - | - |
| ONEOTT Intertainment Limited | 2.15 | 2.15 | - | - | - | - |
| **Total** | **9.31** | **7.51** | **-** | **-** | **1.46** | **2.66** |
| **Maintenance expense** | | | | | | |
| Hinduja Realty Ventures Limited | - | - | - | - | 0.08 | 0.19 |
| **Total** | **-** | **-** | **-** | **-** | **0.08** | **0.19** |
| **Legal& Professional charges** | | | | | | |
| Hinduja Group Limited | - | - | - | - | 8.04 | 13.04 |
| HGS Digital, LLC | - | 1.02 | - | - | - | - |
| Castle Media Private Limited | - | - | 7.88 | 7.62 | - | - |
| Spyke Technologies Private Limited | - | - | 4.68 | 6.01 | - | - |
| Hinduja Global Solutions UK Limited | - | 0.74 | - | - | - | - |
| HGS USA LLC | - | - | - | - | - | - |
| HGS CX Technologies Inc. | 0.90 | - | - | - | - | - |
| NDL Ventures Limited | - | - | - | - | 0.82 | 0.72 |
| IndusInd Media & Communications Limited | 7.59 | 8.49 | - | - | - | - |
| **Total** | **8.50** | **10.26** | **12.56** | **13.63** | **8.86** | **13.76** |
| **Connectivity cost** | | | | | | |
| HGS CX Technologies Inc. | 5.29 | - | - | - | - | - |
| Team HGS Australia pty ltd | 2.22 | - | - | - | - | - |
| **Total** | **7.52** | **-** | **-** | **-** | **-** | **-** |
| **Technical Fees** | | | | | | |
| IndusInd Media & Communications Limited | 5.94 | 5.94 | - | - | - | - |
| **Total** | **5.94** | **5.94** | **-** | **-** | **-** | **-** |
| **Internet Expenses** | | | | | | |
| ONEOTT Intertainment Limited | 1.59 | 0.12 | - | - | - | - |
| **Total** | **1.59** | **0.12** | **-** | **-** | **-** | **-** |
| **Business promotion** | | | | | | |
| IN Entertainment (India) Limited | 0.07 | 0.08 | - | - | - | - |
| **Total** | 0.07 | 0.08 | - | - | - | - |
| **Royalty expense** | | | | | | |
| IN Entertainment (India) Limited | 2.40 | 2.16 | - | - | - | - |
| **Total** | **2.40** | **2.16** | **-** | **-** | **-** | **-** |
| **Staff Welfare** | | | | | | |
| IN Entertainment (India) Limited | 0.13 | 0.12 | - | - | - | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Total** | **0.13** | **0.12** | **-** | **-** | **-** | **-** |
| **Miscellaneous Expenses** | | | | | | |
| HGS CX Technologies Inc. | 0.01 | - | - | - | - | - |
| HGS USA LLC | - | 0.05 | - | - | - | - |
| Hinduja Global Solutions UK Limited | - | 0.79 | - | - | - | - |
| Team HGS Limited | 0.07 | - | - | - | - | - |
| **Total** | **0.08** | **0.84** | **-** | **-** | **-** | **-** |
| **Executive Remuneration** | | | | | | |
| Mr. Partha DeSarkar # | 0.97 | 8.68 | - | - | - | - |
| Mr. Vynsley Fernandes | 2.37 | 3.09 | - | - | - | - |
| **Total** | **3.34** | **11.77** | **-** | **-** | **-** | **-** |

**Note:**

* Excludes Execute remuneration paid by HGS CX Technologies Inc, a wholly owned step down subsidiary of the Company. The Executive remuneration also excludes Employers Contribution towards Provident Fund, Gratuity Fund, Superannuation Fund and Medical Insurance. The Gratuity and Compensated absences are excluded which cannot be separately identified from the composite amount advised by the actuary.

# The remuneration accrued / paid by the Company along with step down subsidiary to its whole-time directors during the year in accordance with the approval of the Shareholders sought on September 24, 2024 and December 29, 2025 obtained the necessary approvals from members through postal ballot dated December 29, 2025.

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Expenses reimbursed to other Companies** | | | | | | |
| ONEOTT Intertainment Limited | - | 0.21 | - | - | - | - |
| IndusInd Media & Communications Limited | 1.44 | 1.59 | - | - | - | - |
| NDL Ventures Limited | - | - | - | - | 0.13 | 0.84 |
| **Total** | **1.44** | **1.80** | **-** | **-** | **0.13** | **0.84** |
| **Expenses reimbursed by other Companies** | | | | | | |
| HGS (USA), LLC | - | 0.09 | - | - | - | - |
| Team HGS Limited | - | 0.09 | - | - | - | - |
| Hinduja Global Solutions UK Limited | 0.11 | 0.29 | - | - | - | - |
| HGS Canada Inc. | - | 0.26 | - | - | - | - |
| Teklink International LLC | - | 12.30 | - | - | - | - |
| HGS Colombia S.A.S | - | 0.04 | - | - | - | - |
| Team HGS Australia pty Ltd | - | 0.00 | - | - | - | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Diversify Intelligent Staffing | - | 0.00 | | | | |
| ONEOTT Intertainment Limited | 3.41 | 0.18 | - | - | - | - |
| IndusInd Media & Communications Limited | 1.29 | 1.73 | - | - | - | - |
| NDL Ventures Limited | - | - | - | - | - | 0.02 |
| **Total** | **4.82** | **15.01** | **-** | **-** | **-** | **0.02** |
| **Commission to Directors & sitting fees paid** | | | | | | |
| Sitting fees paid to Director's | 0.65 | 0.90 | - | - | - | - |
| **Total** | **0.65** | **0.90** | **-** | **-** | **-** | **-** |
| **Purchase of Fixed Assets** | | | | | | |
| Spyke Technologies Private Limited | - | - | 0.23 | 0.23 | - | - |
| **Total** | **-** | **-** | **0.23** | **0.23** | **-** | **-** |
| **Sale of Fixed Assets** | | | | | | |
| IndusInd Media & Communications Limited | 1.24 | 69.17 | - | - | - | - |
| **Total** | **1.24** | **69.17** | **-** | **-** | **-** | **-** |
| **Purchases of stock in trade** | | | - | - | - | - |
| IN Entertainment (India) Limited | - | 0.02 | - | - | - | - |
| IndusInd Media & Communications Limited | 3.26 | 4.40 | - | - | - | - |
| ONEOTT Intertainment Limited | - | 1.62 | - | - | - | - |
| Spyke Technologies Private Limited | - | - | 0.15 | - | - | - |
| **Total** | **3.26** | **6.04** | **0.15** | **-** | **-** | **-** |
| **Loans Given/Inter-Corporate Deposits Given** | | | | | | |
| Hinduja Group Limited | - | - | - | - | 109.00 | 64.00 |
| Hinduja Realty Ventures Limited | - | - | - | - | 113.85 | 15.00 |
| IndusInd Media & Communications Limited | 76.43 | 215.72 | - | - | - | - |
| ONEOTT Intertainment Limited | 52.81 | 168.60 | - | - | - | - |
| IN Entertainment (India) Limited | 1.84 | 4.30 | - | - | - | - |
| **Total** | **131.09** | **388.62** | **-** | **-** | **222.85** | **79.00** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Loans Repaid/Inter-Corporate Deposits Received back** | | | | | | |
| HGS International | 47.49 | 92.84 | - | - | - | - |
| Hinduja Group Limited | - | - | - | - | 92.70 | 253.90 |
| Hinduja Realty Ventures Limited | - | - | - | - | 119.00 | 283.08 |
| IndusInd Media & Communications Limited | 312.25 | 60.36 | - | - | - | - |
| ONEOTT Intertainment Limited | 171.32 | 4.35 | - | - | - | - |
| IN Entertainment (India) Limited | 1.84 | 67.80 | - | - | - | - |
| **Total** | **532.90** | **225.36** | **-** | **-** | **211.70** | **536.98** |
| **Dividend Paid** | | | | | | |
| Hinduja Group Limited | - | - | - | - | - | 12.33 |
| Hinduja Group Limited with Hinduja Realty Ventures Limited | - | - | - | - | - | 0.42 |
| Aasia Corporation LLP | - | - | - | - | - | 0.26 |
| Hinduja Realty Ventures Limited | - | - | - | - | - | 2.09 |
| Harsha Ashok Hinduja | - | 0.85 | - | - | - | - |
| Ashok Parmanand Hinduja | - | 1.00 | - | - | - | - |
| Ambika Ashok Hinduja | - | 0.27 | - | - | - | - |
| Shom Ashok Hinduja | - | 0.21 | - | - | - | - |
| Hinduja Properties Ltd. | - | | - | - | - | 0.04 |
| Ganesh Natarajan | - | - | - | 0.00 | - | |
| Partha DeSarkar | | | - | 0.00 | - | - |
| **Total** | **-** | **2.33** | **-** | **0.00** | **-** | **15.14** |
| **Receivable net of payable as at the year-end** | | | | | | |
| HGS CX Technologies Inc. | 237.86 | 213.06 | | | | |
| HGS Canada Inc. | 5.66 | 4.31 | - | - | - | - |
| Hinduja Global Solutions UK Limited | 70.86 | 33.22 | - | - | - | - |
| Team HGS Limited | 48.52 | 8.77 | - | - | - | - |
| HGS International | 0.34 | 0.33 | - | - | - | - |
| Team HGS Australia Pty Ltd | 7.41 | 0.89 | | | | |
| Team HGS Southafrica Pty Ltd | 1.67 | - | | | | |
| Diversify Intelligent Staffing Solutions Inc | - | 1.97 | - | - | - | - |
| Diversify ISS BGC | 7.48 | 0.99 | | | | |
| HGS AG | 5.71 | - | - | - | - | - |
| HGS Colombia S.A.S | 2.60 | 1.17 | - | - | - | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| IndusInd Media & Communications Ltd. | 0.03 | 0.02 | - | - | - | - |
| ONEOTT Intertainment Limited | 0.08 | 0.15 | - | - | - | - |
| In Entertainment (India) Limited | 0.01 | 0.02 | - | - | - | - |
| Bhima Riddhi Infotainment Private Limited | 0.02 | - | - | - | - | - |
| Gold Star Noida Network Private Limited | 0.01 | 0.01 | - | - | - | - |
| United Mysore Network Private Limited | 0.56 | 0.56 | - | - | - | - |
| USN Networks Private Limited | 0.00 | 0.00 | - | - | - | - |
| Vinsat Digital Private Limited | 4.49 | 3.07 | - | - | - | - |
| Others | - | - | 0.15 | - | 0.01 | 0.12 |
| **Total** | **393.33** | **268.56** | **0.15** | **-** | **0.01** | **0.12** |
| **Payable net of receivables as at year-end** | | | | | | |
| Customer Contact Centre Inc. | 43.65 | 39.73 | - | - | - | - |
| Hinduja Group Limited | - | - | - | - | 2.90 | 3.67 |
| Hinduja Realty Ventures Limited | - | - | - | - | - | 0.02 |
| IndusInd Media & Communications Limited | 1.33 | 0.00 | - | - | - | - |
| In Entertainment India Limited | 0.18 | - | - | - | - | - |
| ONEOTT Intertainment Limited | 0.67 | - | - | - | - | - |
| Ajanta Sky Darshan Private Limited | 0.05 | 0.05 | - | - | - | - |
| Bhima Riddhi Infotainment Private Limited | - | 6.21 | - | - | - | - |
| Darpita Trading Company Private Limited | 0.57 | 0.57 | - | - | - | - |
| Sainath In Entertainment Private Limited | 0.10 | 0.07 | - | - | - | - |
| Sangli Media Services Private Limited | 0.01 | 0.01 | - | - | - | - |
| Castle Media Private Limited | - | - | 2.30 | 0.62 | - | - |
| Spyke Technologies Private Limited | - | - | 0.96 | 0.17 | - | - |
| NDL Ventures Limited | - | - | - | - | 0.50 | - |
| **Total** | **46.57** | **46.64** | **3.26** | **0.79** | **3.40** | **3.69** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Loans/Inter Corporate Deposits Receivable** | | | | | | |
| HGS International | 679.57 | 674.90 | - | - | - | - |
| Hinduja Group Limited | - | - | - | - | 49.95 | 33.65 |
| Hinduja Realty Ventures Limited | - | - | - | - | 20.63 | 25.78 |
| In Entertainment India Limited | - | 1.27 | - | - | - | - |
| IndusInd Media & Communications Limited | 2.51 | 241.40 | - | - | - | - |
| ONEOTT Intertainment Limited | 113.35 | 234.64 | - | - | - | - |
| **Total** | **795.43** | **1,152.21** | **-** | **-** | **70.58** | **59.43** |
| **Interest Receivable** | | | | | | |
| HGS International | - | 4.48 | - | - | - | - |
| **Total** | **-** | **4.48** | - | - | - | - |
| **Bank Guarantees given by the company on behalf of:** | - | - | - | - | - | 1.15 |
| HGS CX Technologies Inc. | - | 88.83 | - | - | - | - |
| HGS Canada Inc | - | 242.53 | - | - | - | - |
| **Total** | - | **331.36** | - | - | - | - |
| **Bank Guarantees given by the company as at year-end** | | | | | | |
| HGS CX Technologies Inc. | 567.87 | 516.86 | - | - | - | - |
| HGS Canada Inc | 269.04 | 238.10 | - | - | - | - |
| **Total** | **836.91** | **754.96** | **-** | **-** | **-** | **-** |
| **Investments in preference shares during the year** | | | | | | |
| HGS International, Mauritius (NIL (March 31, 2025: 15,000,000) 5% cumulative preference shares of USD 1 each) | 124.05 | 124.05 | - | - | - | - |
| In Entertainment (India) Limited(7% cumulative preference shares of Rs 10 each) | 5.49 | 4.95 | - | - | - | - |
| **Total** | **129.54** | **129.00** | **-** | **-** | **-** | **-** |
| **Investment made during the year** | | | | | | |
| HGS Digital Private Limited | 0.01 | - | - | - | - | - |
| **Total** | **0.01** | **-** | **-** | **-** | **-** | **-** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

| | Parties referred to in I & II above | | Parties referred to in V above | | Parties referred to in III and IV above | |
|---|---|---|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| **Investments in equity shares at the year end** | | | | | | |
| HGS International | 388.80 | 388.80 | - | - | - | - |
| IndusInd Media and Communications Limited | 75.93 | 75.93 | - | - | - | - |
| Oneott Intertainment Limited | 271.99 | 271.99 | - | - | - | - |
| HGS Digital Private Limited | 0.01 | - | | | | |
| **Total** | **736.74** | **736.73** | **-** | **-** | **-** | **-** |

## 44 Fair value measurements

### (a) Financial instruments by category

| Particulars | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortized Cost | FVTPL | FVTOCI | Amortized Cost |
| **Financial assets** | | | | | | |
| Investments (Refer note 6) | | | | | | |
| - Treasury bills | - | - | 1.83 | - | - | 1.60 |
| - Investments (Unquoted instruments) | 5.49 | - | 124.05 | 4.95 | - | 124.05 |
| Loans(Refer note 7 & 13) | - | - | 866.01 | - | - | 1,211.64 |
| Security deposits (Refer note 8 & note 14) | - | - | 54.21 | - | - | 66.81 |
| Bank deposits(Refer note 8) | - | - | 5.85 | - | - | 5.73 |
| Lease receivable (Refer note 8 & note14) | - | - | 17.61 | - | - | 28.61 |
| Trade receivables(Refer note 11) | - | - | 493.33 | - | - | 348.83 |
| Cash and cash equivalents (Refer note 12a) | - | - | 111.08 | - | - | 115.38 |
| Bank balances other than Cash and cash equivalents (Refer note 12b) | - | - | 101.06 | - | - | 86.02 |
| Other receivables (Refer note 14) | - | - | 16.36 | - | - | 30.11 |
| Derivative financial assets designated in a hedge relationship (Refer note 14) | - | - | - | - | 1.84 | - |
| **Total Financial assets** | **5.49** | **-** | **1,791.39** | **4.95** | **1.84** | **2,018.78** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

| Particulars | March 31, 2026 | | | March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortized Cost | FVTPL | FVTOCI | Amortized Cost |
| **Financial liabilities** | | | | | | |
| Borrowings(Refer note 18) | - | - | 511.03 | - | - | 527.45 |
| Lease liabilities(Refer note 19) | - | - | 481.82 | - | - | 673.23 |
| Trade payables(Refer note 22) | - | - | 236.57 | - | - | 216.01 |
| Derivative financial liabilities designated in a hedge relationship (Refer note 23) | - | 6.91 | - | - | 1.26 | - |
| Other financial liabilities (Refer note 20 & 23) | - | - | 152.45 | - | - | 152.92 |
| **Total Financial liabilities** | **-** | **6.91** | **1,381.87** | **-** | **1.26** | **1,569.61** |

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**(i) Fair value hierarchy**

Financial assets and liabilities include cash and cash equivalents, trade receivables, long and short-term loans and borrowings, finance lease payables, bank overdrafts, trade payable. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

| Financial assets and liabilities measured at fair value - recurring fair value measurements | Date of Valuation | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|---|
| **Financial assets** | | | | | | |
| Investments (Unquoted instruments) | March 31, 2026 | 6 | - | 5.49 | - | 5.49 |
| | March 31, 2025 | 6 | - | 4.95 | - | 4.95 |
| **Derivative financial assets** | | | | | | |
| Derivative financial assets | | | | | | |
| Foreign exchange forward contracts* | March 31, 2026 | 14 | - | - | - | - |
| | March 31, 2025 | | - | 1.84 | - | 1.84 |
| **Derivative financial liabilities** | | | | | | |
| Derivatives designated as hedges | | | | | | |
| Foreign exchange forward contracts* | March 31, 2026 | 23 | - | 6.91 | - | 6.91 |
| | March 31, 2025 | | - | 1.26 | - | 1.26 |

*The fair value of derivative financial instruments is determined based on the observable market inputs including currency spot and forward rates, yield curves, currency volatility, credit risk and discount rate etc.

**Derivative financial instruments:**

The fair value of loan, cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long-term debt has been contracted at market rates of interest. Accordingly, the carrying value of such long-term debt approximates fair value. These financial asset & liabilities have been classified as Level 2.

(All amounts are in ₹ Crore)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

**Valuation techniques and significant unobservable inputs**

The following table show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

| Type | Valuation technique | Increase /decrease of 5% or so in the discount rate would result in decrease /increase in the fair value | Valuation process |
|---|---|---|---|
| Investments | Discounted cash flow approach | Increase / decrease of 5% or so in the discount rate would result in decrease / increase in the fair value $ | Company has referred the fair valuation report of external valuation consultant for certain equity instruments measured at FVTPL. |

$ holding all other variables constant

**Changes in level 2 items - Investments (Unquoted instruments)**

| Particulars | Investment in Preference shares |
|---|---|
| **As at April 1, 2024** | 4.46 |
| Additions | - |
| Disposals | - |
| Profit recognised in statement of profit and loss | 0.49 |
| **As at March 31, 2025** | **4.95** |
| Additions | - |
| Disposals | - |
| Profit recognised in statement of profit and loss | 0.54 |
| **As at March 31, 2026** | **5.49** |

## 45 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk, excluding trade receivables from related parties, is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit risk | Cash and cash equivalents, trade receivables, financial assets measured at amortized cost | Ageing analysis<br>Credit ratings | Diversification of bank deposits, credit limits for customers, party-wise and overall limits on the intercorporate deposits. |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market risk - foreign exchange | Future commercial transactions<br><br>Recognized financial assets and liabilities not denominated in Indian rupee (₹) | Cash flow forecasting<br>Sensitivity analysis | Forward foreign exchange contracts |
| Market risk - 'Interest rate risk | Borrowings and Investment in Non convertible Debentures, financial assets measured at amortized cost | Cash flow forecasting<br>Sensitivity analysis | Interest rate swap |

The Company's risk management is carried out by the finance department under direction of the Board of Directors. The company's finance department identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

**A) Credit risk**

Credit risk arises from trade receivables including unbilled receivables, loans and intercorporate deposits, cash and cash equivalents and deposits with banks and financial institutions.

**i) Credit risk management:**

Credit risk arises from the possibility that customers and borrowers may not be able to settle their obligations as agreed. A default on a financial asset arises when the counterparty fails to make contractual payments within agreed credit terms or when they fall due. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Company's maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognized in the balance sheet.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated:

- Historical default experience by class of financial asset
- the credit rating and financial condition of borrowers
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Other applicable macro economic information such as regulatory changes

A default on a financial asset is when the counterparty fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The major exposure to the credit risk at the reporting date is primarily from:

a Trade receivables and unbilled receivables amounting to Rs. 493.33 Crore (March 31, 2025 Rs. 348.33 Crore). Trade receivables are typically unsecured. The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accordingly, credit risk is managed through customer specific credit approvals, establishing credit limits and monitoring the creditworthiness of customers. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 120 days past due from agreed credit terms with customer. Historically, the company has not experienced any significant non-payment or write-offs and the provision made as at reporting date is considered to be adequate. During the year, the Company made write-offs of Rs. 2.07 Crore (March 31, 2025 Rs. 5.68 Crore) of trade receivables.

**Exposure to credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade and other receivables. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company by continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

**Expected credit loss assessment for trade and other receivables from customers**

The Company uses allowance matrix to measure the expected credit loss of trade and other receivables.

The following table provides information about the exposure to credit risk and expected credit loss allowance (including specific allowance) for trade and other receivables:

| Particulars | Carrying amount | |
|---|---|---|
| | As at March 31, 2026 | As at March 31, 2025 |
| Gross carrying amount | 558.96 | 418.37 |
| Weighed average loss rate - range | 12% | 17% |
| Loss allowance | 65.63 | 69.54 |

Loss rates are based on actual credit loss experience over the past three years. The movement in the allowance for impairment in respect of trade and other receivables is as follows:

**Movement in excepted credit loss allowance**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances at beginning of the year | 69.54 | 57.22 |
| Movement in excepted credit loss Allowance | (3.91) | 12.32 |
| Balances at closing of the year | 65.63 | 69.54 |

In addition to the historical pattern of credit loss, this assessment is not based on any mathematical model but an assessment considering the nature of and the financial strength of the customers in respect of whom amounts are receivable. Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case.

b. The Company held cash and cash equivalents and Other bank balances with credit worthy banks of Rs. 217.99 Crore as at March 31, 2026 (March 31, 2025: Rs. 207.13 Crore) respectively. The credit worthiness of such banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

c. Loans receivable and Intercorporate deposits amounting to ₹ 1,211.64 Crore (March 31, 2023 ₹ 1,484.47 Crore). The loans and intercorporate deposits are placed with parties approved by the Audit Committee subject to the party-wise and overall limits established by the Board of Directors. The loans and intercorporate deposits are unsecured and are repayable on demand. The Company periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.

d. Exposure of credit loss on security deposits given against the rented premises is considered to be low as recovery of these deposits is supported by contractual agreement. As an internal process management performs background check of counterparty before entering into contractual agreement where credit risk assessment is carried out. As at reporting date credit risk has not increased significantly since initial recognition.

**a) Percentage of revenues generated from top customer and top five customers.**

**Business Process Management**

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Revenue from top customer | 42.56% | 32.51% |
| Revenue from top five customers | 68.20% | 61.57% |

**Media and Communication business**

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Revenue from top customer | 29.18% | 12.05% |
| Revenue from top five customers | 46.48% | 27.66% |

**B) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department, overseen by senior management, is responsible for liquidity and funding as well as settlement management.

Prudent Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities' to meet obligation's when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. These limits vary by location to take into account the Liquidity of the market in which the entity operates.

The Company`s liquidity management policy involves projecting cash flows in major currencies, considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans. Management monitors rolling forecasts of the Company`s net liquidity position on the basis of expected cash flows. The company invests its surplus funds in loans and intercorporate deposits with parties approved by the Board of Directors to generate better returns. These investments are subject to the party-wise and overall limits established by the Board of Directors. The limits are regularly assessed and determined based upon and analysis of the credit ratings and financial solvency reviews

**i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

| Ageing | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Expiring within one year (Cash Credits and other facilities) | 275.25 | 93.85 |
| **Total** | **275.25** | **93.85** |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice subject to the continuance of satisfactory credit ratings:

(All amounts are in ₹ Crore)

**ii) Maturities of financial liabilities**

The tables below analyse the Company`s financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| Contractual maturities of financial liabilities - March 31, 2026 | Within 1 year | Between 1 to 2 years | Between 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **Non-derivatives** | | | | | |
| Borrowings | 423.42 | 56.70 | 30.91 | - | 511.03 |
| Lease liabilities | 207.05 | 94.43 | 118.71 | 61.63 | 481.82 |
| Trade payables | 236.57 | - | - | - | 236.57 |
| Other financial liabilities | 145.43 | - | 7.02 | - | 152.45 |
| **Total non-derivative liabilities** | **1,012.47** | **151.13** | **156.64** | **61.63** | **1,381.87** |
| **Derivatives** | | | | | |
| Foreign exchange forward Contracts - net settled and Interest rate swap | 6.91 | - | - | - | 6.91 |
| **Total derivative liabilities** | **6.91** | **-** | **-** | **-** | **6.91** |

| Contractual maturities of financial liabilities - March 31, 2025 | Within 1 year | Between 1 to 2 years | Between 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **Non-derivatives** | | | | | |
| Borrowings | 393.86 | 68.69 | 61.61 | 3.29 | 527.45 |
| Lease liabilities | 252.76 | 175.46 | 165.30 | 79.71 | 673.23 |
| Trade payables | 216.01 | - | - | - | 216.01 |
| Other financial liabilities | 152.03 | - | - | - | 152.03 |
| **Total non-derivative liabilities** | **1,014.66** | **244.15** | **226.91** | **83.00** | **1,568.72** |
| **Derivatives** | | | | | |
| Foreign exchange forward Contracts - net settled and Interest rate swap | 1.26 | - | - | - | 1.26 |
| **Total derivative liabilities** | **1.26** | **-** | **-** | **-** | **1.26** |

The average credit period of trade payables is 60 days.

**C) Market risk**

**i) Foreign currency risk**

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, GBP and CAD. Foreign exchange risk arises from highly probable forecast transactions (including inter-company transactions) and recognized assets and liabilities denominated in a currency that is not the functional currency . The risk is measured through a forecast of highly probable foreign currency cash flows.

The company's risk management policy is to hedge upto 75% of forecasted foreign currency sales

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

for the next 12 months; 40% of forecasted foreign currency sales for the next 24 months and 20% of forecasted foreign currency sales for the next 36 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge the forecasted sales.

As the critical terms of the foreign exchange forward contracts and their corresponding hedged items are the same, the Company performs a qualitative assessment of effectiveness and it is expected that the value of the foreign exchange forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The company monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effect.

In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered for the purpose of being a hedge, the Company matches the terms of the derivatives to the terms of the hedged exposure and assesses the effectiveness of the hedged item match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship. The objective of the hedges is to minimise the volatility of the functional currency cash flows of highly probable forecast transactions.

**ii) Foreign currency risk exposure**

a) The exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

| Particulars | Currency | March 31, 2026 | March 31, 2025 |
|---|---|---|---|
| **a ) Financial assets** | | | |
| Loans | USD | 679.57 | 674.90 |
| Trade receivables | USD | 369.98 | 229.36 |
| | GBP | 1.89 | 0.74 |
| | CAD | 0.33 | - |
| | AED | 0.03 | 0.34 |
| | EURO | 0.02 | 0.04 |
| | AUD | 3.60 | - |
| Cash and cash equivalents | USD | 14.28 | 23.63 |
| | CAD | 0.78 | 0.55 |
| **Total** | | **1,070.47** | **929.55** |
| **Financial liabilities** | | | |
| Lease Liability | USD | 55.21 | 82.27 |
| Trade payable | USD | 83.16 | 67.39 |
| | AUD | 1.18 | - |
| | GBP | 0.92 | 0.71 |
| **Total** | | **140.47** | **150.36** |
| **Net unhedged foreign currency exposure (a-b)** | | **930.01** | **779.19** |

**b) Foreign Exchange Earnings and Outgo (excluding foreign branch) :**

The Foreign Exchange earned in terms of actual inflows and outgo during the year are as under:

| For the Year | 2025-26 | 2024-25 |
|---|---|---|
| Total Foreign Exchange earned | 410.81 | 346.86 |
| Total Foreign Exchange outgo | 37.37 | 57.60 |

(All amounts are in ₹ Crore)

**iii) Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and Interest rate swap designated as cash flow hedges.

| Particulars | Impact on profit after tax | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **USD sensitivity** | | |
| USD - Increase by 5% (March 31, 2025 - 5%)* | 23.47 | 25.29 |
| USD - Decrease by 5% (March 31, 2025 - 5%)* | (23.47) | (25.29) |

| Particulars | Impact of cash flow hedges in other comprehensive income (net of tax) | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **USD sensitivity** | | |
| USD - Increase by 5% (March 31, 2025 - 5%)* | (0.35) | (0.03) |
| USD - Decrease by 5% (March 31, 2025 - 5%)* | 0.35 | 0.03 |

* Holding all other variables constant

**iv) Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company manages it's net exposure to interest rate risk relating to borrowings by entering into interest rate swap agreements, which allows it to exchange periodic payments based on a notional amounts and agreed upon fixed and floating interest rates.

The Company's investments are primarily in short-term loans and deposits and does not have any variable rate borrowings. Hence the company is not expose to significant interest rate risk.

**(a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

| | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Variable rate borrowings | 511.03 | 527.45 |
| **Total borrowings** | **511.03** | **527.45** |

**(b) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates for floating rate borrowings. The amounts presented below are after considering the impact of interest rate swaps.

| Particulars | Impact on profit before tax | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Interest rates — increase by 100 basis points (March 31, 2025 -100 bps)* | 3.80 | 3.92 |
| Interest rates — decrease by 100 basis points (March 31, 2025 -100 bps)* | (3.80) | (3.92) |

* Holding all other variables constant

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

## 46 Financial risk management

**Impact of hedging activities**

(a) Disclosure of effects of hedge accounting on financial position:

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item.

As the critical terms of the hedging instruments and their corresponding hedged items are the same, the Company performs a qualitative assessment of effectiveness and whether it is expected that the value of the hedging instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates/interest rates. The Company monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effective.

Hedge ineffectiveness is recognised on a cash flow hedge in the statement of profit and loss. Ineffectiveness represents remaining portion of gain or loss on the hedging instrument that cannot be offset with the change in the fair value of the hedged item. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Company's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates and when the underlying hedged transaction is no longer expected to occur. No other sources of ineffectiveness emerged from these hedging relationships.

**March 31, 2026**

| Types of hedge and risks | Foreign Currency Notional Amount (USD Mn) | Carrying amount of hedging instrument | | Maximum Maturity date | Hedge ratio* | Changes in fair value of hedging instrument | Change in the value of hedged item used as the basis for recognizing hedge effectiveness |
|---|---|---|---|---|---|---|---|
| | | Assets | Liabilities | | | | |
| **Cash flow hedge** | | | | | | | |
| **Foreign exchange risk** | | | | | | | |
| Foreign exchange forward contracts: Sell USD, buy ₹ | 8.66 | - | 6.91 | November, 2027 | 1:1 | 6.91 | (6.91) |

**March 31, 2025**

| Types of hedge and risks | Foreign Currency Notional Amount (USD Mn) | Carrying amount of hedging instrument | | Maximum Maturity date | Hedge ratio* | Changes in fair value of hedging instrument | Change in the value of hedged item used as the basis for recognizing hedge effectiveness |
|---|---|---|---|---|---|---|---|
| | | Assets | Liabilities | | | | |
| **Cash flow hedge** | | | | | | | |
| **Foreign exchange risk** | | | | | | | |
| Foreign exchange forward contracts: Sell USD, buy ₹ | 22.22 | - | 1.26 | November, 2027 | 1:1 | 1.26 | (1.26) |
| Foreign exchange forward contracts: Sell USD, buy PHP | 7.40 | 1.84 | - | July, 2025 | 1:1 | 1.84 | (1.84) |

*The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

(All amounts are in ₹ Crore)

**(b) Disclosure of effects of hedge accounting on financial performance**

**March 31, 2026**

| Type of hedge | Change in the value of hedging instrument recognised in Other comprehensive income | Hedge ineffectiveness recognised in statement of profit and loss | (Gain)/ Loss reclassified from cash flow hedging reserve to profit or loss | Line item affected in statement of profit and loss because of the reclassification |
|---|---|---|---|---|
| **Cash flow hedge** | | | | |
| Foreign exchange risk | 6.91 | - | 6.33 | Revenue & Other Income |

**March 31, 2025**

| Type of hedge | Change in the value of hedging instrument recognized in Other comprehensive income | Hedge ineffectiveness recognized in statement of profit and loss | (Gain)/ Loss reclassified from cash flow hedging reserve to profit or loss | Line item affected in statement of profit and loss because of the reclassification |
|---|---|---|---|---|
| **Cash flow hedge** | | | | |
| Foreign exchange risk | 1.26 | - | 2.07 | Revenue & Other Income |

## 47 Leases

**i) Company as a lessee**

The Company leases several assets including buildings, furnitures and equipments. The average lease term is 5.01 years.( March 31, 2025- 4.48 years)

| Right-of-use assets | Building | STB | Plant & Equipment | Transponder | Office equipments | Server | Total |
|---|---|---|---|---|---|---|---|
| Net carrying amount | | | | | | | |
| March 31, 2025 | 166.12 | 357.61 | 266.42 | 49.92 | - | - | **840.07** |
| March 31, 2026 | 151.50 | 261.28 | 241.69 | 32.14 | 18.03 | 0.20 | **704.84** |
| Depreciation expense for the year ended | | | | | | | |
| March 31, 2025 | 44.96 | 74.56 | 28.66 | 17.99 | - | - | **166.17** |
| March 31, 2026 | 55.04 | 67.82 | 28.80 | 17.78 | - | - | **169.44** |

| Amounts recognised in statement of profit and loss | Year Ended March 31, 2026 | Year Ended March 31, 2025 |
|---|---|---|
| Depreciation expense on right-of-use assets | 169.44 | 166.17 |
| Interest expense on lease liabilities | 58.98 | 73.51 |
| Expense relating to short-term leases | 15.47 | 11.42 |
| (Gain)/ Loss on termination of leases | - | (0.22) |

| Lease liabilities | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Non Current | 274.77 | 420.47 |
| Current | 207.05 | 252.76 |
| **Total** | **481.82** | **673.23** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

**Maturity analysis of Lease payments and short term & low value leases**

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Not later than 1 year | 207.05 | 252.76 |
| Later than 1 year and not later than 5 years | 213.14 | 340.76 |
| Later than 5 years | 61.63 | 79.71 |

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

**ii) Company as lessor**

**i) Operating Lease arrangement**

The Company has entered into a non cancellable operating lease arrangement with its lessee.Total lease rental income (receivable on monthly basis) recognized in the statement of profit and loss for the year ended March 31, 2026 is Rs. 17.61 Crore. (March 31 2025 - Rs. 25.71 Crore).

The average lease term is 5 years. (March 31, 2025- 5 years).

The future minimum lease income under non cancellable operating lease in aggregate are as follows:

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Not later than 1 year | 14.58 | 17.15 |
| Later than 1 year and not later than 5 years | 18.10 | 21.42 |
| Later than 5 years | - | 0.75 |

**ii) Sub-lease arrangement**

The Company Sub-leases several assets including buildings, furnitures and equipments. The average lease term is 12 years. (March 31, 2025- 12 years).

The movement on account of subleased asset during the years ended March 31, 2026 and March 31, 2025 is as follows :

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 28.08 | 27.58 |
| Addition during the year | - | 12.68 |
| Interest income accrued during the year | 2.77 | 3.38 |
| Lease receipts | (13.27) | (15.56) |
| **Balance at the end of the year**** | **17.58** | **28.08** |

** This excludes lease equalization reserve of ₹ 0.53 Crore (March 31, 2025 - ₹ 0.53 crore)

The details of contractual maturities (undiscounted) of the subleased assets as at March 31, 2026 and March 31, 2025 are as follows :

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Not later than 1 year | 9.31 | 14.19 |
| Later than 1 year and not later than 5 years | 2.69 | 14.10 |
| Later than 5 years | 4.87 | 7.47 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

48 **Details of the outstanding principal (including unamortised borrowing cost), interest rate, security and repayment terms:**

| Particulars | As at March 31, 2026 | | | | As at March 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Non-current | Current | Interest Rate p.a. | Particulars of redemption / repayment | Non-current | Current | Interest Rate p.a. | Particulars of redemption / repayment |
| **Secured** | | | | | | | | |
| **From Bank** | | | | | | | | |
| TL – 1 | - | 19.99 | 9.43% to 9.50% | Repayable in Apr-26. (Working capital demand loans) (Refer note 1) | - | 15.00 | 9.50% | Repayable in Apr-25. (Working capital demand loans) (Refer note 2) |
| TL – 2 | 15.85 | 10.35 | 9.81% to 10.61% | Term loan for capital expenditure, Repayable in 18 Qty installments in multiple tranches, last being Mar-29. (Refer note 2) | 26.34 | 10.45 | 10.61% | Term loan for capital expenditure, Repayable in 18 Qty installments in multiple tranches, last being Mar-29. (Refer note 3) |
| TL – 3 | - | 102.85 | 9.03% to 10.03% | Repayable from Apr-26 to Jun-26 (Working capital loans for Purchase Invoice Financing) (Refer note 3) | - | 122.43 | 9.14% to 9.5% | Repayable from Apr-25 to Jun-25 (Working capital demand loans for Purchase Invoice Financing) (Refer note 4) |
| TL – 4 | 4.97 | 19.88 | 7.75% to 9.00% | Repayable from Mar-25 to Jun-27 (Working Capital Term Loan from Shinhan bank) (Refer note 4) | 25.00 | 20.00 | 8.75% - 9.00% | Repayable from Mar-25 to Jun-27 (Working Capital Term Loan from Shinhan bank) (Refer note 5) |
| TL – 5 | 13.66 | 21.18 | 8.25% to 9.50% | Repayable from Mar-25 to Jun-27 ( Term Loan from Bandhan bank) (Refer note 5) | 32.92 | 16.67 | 9.25% to 9.5% | Repayable from Mar-25 to Jun-27 ( Term Loan from Bandhan bank) (Refer note 6) |
| TL – 6 | - | 27.28 | 9.75% to 10.00% | Repayable from Apr-26 to Jun-26 (Working capital loans for Purchase Invoice Financing) (Refer note 6) from Standard Chartered Bank | - | - | - | - |
| **From Non-Banking Financial Institutions** | | | | | | | | |
| TL – 7 | 53.13 | 42.89 | NA | (Refer Note 7) | 49.33 | 24.31 | NA | (Refer Note 7) |
| **Sub-Total** | **87.61** | **244.42** | | | **133.59** | **208.86** | | |
| **Bank overdrafts-Secured** | | | | | | | | |
| Bank Overdrafts | - | 179.00 | 8.10% to 8.25% | Repayable on Demand (Refer Note 8) | - | 185.00 | 8.25% to 8.45% | Repayable on Demand (Refer Note 8) |
| **Total** | **87.61** | **423.42** | | | **133.59** | **393.86** | | |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

**Notes:**

1 TL-1 are secured by pari passu hypothecation on all current assets, movable fixed assets (present and future) and immovable properties.

2 TL-2 are secured by first pari passu hypothecation on all current assets, movable fixed assets (present and future) of the Media Division.

3 TL-3 are secured by first pari passu hypothecation on all current assets, movable fixed assets (present and future) of the Media Division.

4 TL-4 are secured by cash margin in the form of Fixed Deposits @ 10% of total loan value.

5 TL-5 are secured by a Cash Margin in the Form of Fixed Deposit @ 25% of the total loan value and subservient charge on all present and future fixed assets of Media Division.

6 TL-6 - Working capital loans for Purchase Invoice Financing from Standard Chartered Bank.

7 TL-7 are secured by cash margin in the form of Fixed Deposits @ 25% of total loan value.

8 First Pari Passu charge on the entire current asset of the company both present and future (Excluding Media Division).

9 The quarterly returns / statements of current assets filed by the Company with banks / financial institutions are in agreement with the books of accounts.

## 49 Details of traded goods under broad heads

| Traded goods | Opening stock (A) | Purchases (B) | Sale/ Consumed (C) | Closing stock (D) |
|---|---|---|---|---|
| **Stock of network cable and equipments** | | | | |
| FY 2025-26 | 2.17 | 0.22 | 1.47 | **0.92** |
| FY 2024-25 | 6.79 | 1.01 | 5.63 | **2.17** |
| **Media inventory** | | | | |
| FY 2025-26 | 2.62 | - | 2.62 | **-** |
| FY 2024-25 | 5.59 | - | 2.97 | **2.62** |

## 50 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 4.42 | 2.75 |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| Further interest remaining due and payable for earlier years | 0.14 | 0.14 |

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

## 51 Ratios

The ratios for the years ended March 31, 2026 and March 31, 2025 are as follows :

| Particulars | Numerator | Denominator | Measure | March 31, 2026 | March 31, 2025 | Variance (in %) |
|---|---|---|---|---|---|---|
| (a) Current Ratio | Current Assets | Current Liabilities | Times | 1.53 | 1.25 | 22% |
| (b) Debt-Equity Ratio | Total Debt | Shareholder's Equity | Times | 0.20 | 0.19 | 5% |
| (c) Debt Service Coverage Ratio (Note 1) | Earnings available for debt service | 'Interest cost, Debt and Lease payments. | Times | 0.22 | 0.11 | 100% |
| (d) Return on Equity Ratio (Refer Note 2) | Net Profits after taxes | Average Shareholder's Equity | percentage | -6.03% | -11.05% | -45% |
| (e) Trade Receivables turnover ratio | Net Credit Sales | Average accounts receivable | Times | 4.34 | 4.73 | -8% |
| (f) Trade payables turnover ratio | Net Credit Purchases | Average accounts Payables | Times | 4.23 | 4.92 | -14% |
| (g) Net capital turnover ratio (Refer Note 3) | Net Sales | Working Capital | Times | 3.14 | 6.24 | -50% |
| (h) Net profit ratio (Refer Note 4) | Net Profit | Net Sales | percentage | -8.79% | -18.86% | -53% |
| (i) Return on Capital employed(Refer Note 4) | Earning before interest and taxes | Capital Employed | percentage | -0.90% | -3.86% | -77% |
| (j) Return on investment | Interest income earned | Average investment in Debentures, Loans, ICD and Treasury bills | percentage | 6.55% | 6.54% | 0% |

Refer Note1 : Due to decrease in borrowings & Lease liabilities and Increase in Earnings available for debt service

Refer Note2 : Due to decrease in Net Loss after taxes & Average Shareholder's Equity.

Refer Note 3: Due to Increase in Net sales and Working Capital mainly on account of increase in loans given and investments.

Refer Note 4: Due to decrease in Net Loss after taxes and increase in revenue.

## 52 Segment reporting

In accordance with paragraph 4 of Ind AS 108 "Operating segments", the Company has presented segmental information only on the basis of the Consolidated financial statements (Refer Note 49 of the Consolidated financial statements).

## 53 Additional regulatory information required by Schedule III to the Companies Act, 2013

(i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding

benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder."

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

(iii) The Company has not come across any transaction ocurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

**(All amounts are in ₹ Crore)**

(v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(vi) Utilization of borrowed funds and share premium :

(I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:"

(a) 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) .

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

**54.** During the year ended March 31, 2024, the Income Tax department carried out survey/search at the Company's premises. Subsequently, the Company received a notice for re-opening of assessment for Assessment Year (AY) 2021-22 and the Show Cause Notices for the AY 2022-23 and AY 2023-24, regarding applicability of provisions of Chapter X-A of the Income Tax Act, 1961. On October 30, 2025, the GAAR panel passed a directive, characterizing the treatment of the tax losses under the demerger of NXT Digital's DMC business with the Company as an "impermissible avoidance arrangement" and directed the Deputy Commissioner of Income-tax (DCIT-AO) to disregard the brought forward losses of the demerged entity, i.e., NXT Digital with the income of the Company. As per communication, total tax reduction of the Company was Rs. 281.59 Crore. The demerger of Digital, Media & communication business of NXTDigital into HGSL was approved by the Hon'ble National Company Law Tribunal ("NCLT"). The Company filed writ petition with Bombay High Court on November 7, 2025. The Hon'ble Bombay High Court heard the writ petition on December 19, 2025 and has passed an order in favour of the Company stating that: (a) the petition filed by the Company is admitted; and (b) in the interim, granted a stay on implementation of the said direction of GAAR Panel providing the interim relief to the Company.

The final financial impact, if any, will be known only upon completion of the proceedings before the Assessing Officer.

The Company has evaluated the aforesaid GAAR Panel directive and related communications. Based on its internal assessment and external legal advice and considering the writ petition filed by the Company on November 7, 2025 before the Hon'ble Bombay High Court challenging the GAAR Panel directive, the Company believes that the treatment of the tax position under the demerger is tenable and it is more than probable that its position will be upheld upon ultimate outcome in the matter. Accordingly no adjustment is considered necessary in the audited financial statements for the year ended March 31, 2026."

**55.** The Government has notified the Code on Social Security, 2020 (""Social Security Code""); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019 (collectively, the ""Labour Codes"") on November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to Labour Codes. The Company has evaluated the impact of increased employee benefits obligations arising from the implementation of the Labour Codes based on it's best judgment in consultation with external experts and actuary. Accordingly, the Company has recognised a financial impact of Rs. 8.70 crore in accordance with Ind AS 19 - 'Employee Benefits' and disclosed it as an Exceptional Item in the standalone financial statements for the year ended March 31, 2026.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ Crore)

On May 8, 2026, the Government of India notified Central Rules. However corresponding State Rules and certain other operational clarifications under the new Labour codes are yet to be notified. The Company continues to monitor the finalisation of State Rules, and further clarifications, and will record any additional accounting impact, as required."

56. Previous year figures have been regrouped / rearranged wherever considered necessary, to conform to current year classification.

**As per our report of even date**
**For Haribhakti & Co. LLP**
Firm registration no. 103523W / W100048
Chartered Accountants

**Snehal Shah**
Partner
Membership No. 048539

**Place : Mumbai**
**Date : May 29, 2026**

**For and on behalf of the Board of Directors of Hinduja Global Solutions Limited**

**Pradeep Udhas**
Director
DIN: 02207112
**Place : Mumbai**

**Venkatesh Korla**
Global Chief Executive Officer
**Place : Mumbai**

**Vynsley Fernandes**
Whole-time Director
DIN: 02987818
**Place : Mumbai**

**Mahesh Kumar Nutalapati**
Global Chief Financial Officer
**Place : Mumbai**
**Date : May 29, 2026**

**Narendra Singh**
Company Secretary
**Place : Mumbai**

## Statement pursuant to Section 129 (3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 [AOC-1].

**(Rs. in Crore, unless otherwise stated)**

| Sr. No. | Name of the Subsidiary | Reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | HGS International | 31.03.2026 | USD | B/S 93.8627<br>P/L 88.7495 | 445.98 | 5,529.64 | 6,723.70 | 748.08 | Nil | 536.60 | 486.62 | 10.05 | 476.58 | Nil | 100 |
| 2 | HGS Properties LLC | 31.03.2026 | USD | B/S 93.8627<br>P/L 88.7495 | - | 98.13 | 98.13 | - | Nil | - | (7.00) | - | (7.00) | Nil | 100 |
| 3 | HGS Canada Inc. | 31.03.2026 | CAD | B/S 67.259<br>P/L 64.301 | 646.67 | (234.02) | 449.45 | 36.79 | Nil | 390.95 | 15.23 | 15.11 | 0.12 | Nil | 100 |
| 4 | Affina Company | 31.03.2026 | CAD | B/S 67.259<br>P/L 64.301 | 0.00 | (28.61) | - | 28.61 | Nil | - | - | - | - | Nil | 100 |
| 5 | Hinduja Global Solutions UK Limited | 31.03.2026 | GBP | B/S 123.7475<br>118.8825 | 0.68 | 1,404.35 | 1,593.82 | 188.78 | Nil | 635.10 | 39.37 | 10.39 | 28.98 | 138 | 100 |
| 6 | C-Cubed N.V | 31.03.2026 | USD | B/S 93.8627<br>P/L 88.7495 | 0.06 | (0.14) | 64.22 | 64.30 | Nil | 1.70 | (0.11) | - | (0.11) | Nil | 100 |
| 7 | C-Cubed B.V | 31.03.2026 | EUR | B/S 108.0916<br>P/L 103.0472 | 0.25 | (44.38) | 23.44 | 67.58 | Nil | - | (1.91) | - | (1.91) | Nil | 100 |
| 8 | Customer Contact Centre Inc. | 31.03.2026 | PHP | B/S 1.5464<br>P/L 1.532 | 15.46 | 27.83 | 43.72 | 0.42 | Nil | 2.46 | 2.46 | - | 2.46 | Nil | 100 |
| 9 | HGS St. Lucia Limited | 31.03.2026 | XCD | B/S 34.6819<br>P/L 32.819 | 0.00 | (0.22) | 28.68 | 28.90 | Nil | - | - | - | - | Nil | 100 |
| 10 | Team HGS Limited | 31.03.2026 | JMD | B/S 0.594<br>P/L 0.558 | 0.00 | 937.37 | 1,134.38 | 197.01 | Nil | 304.97 | 88.80 | 15.39 | 73.41 | Nil | 100 |
| 11 | HGS Mena FZ LLC | 31.03.2026 | AED | B/S 25.5582<br>P/L 24.1659 | - | - | - | - | Nil | 3.53 | 3.48 | - | 3.48 | Nil | 100 |
| 13 | Falcon Health Solutions Puerto Rico Holding LLC | 31.03.2026 | USD | B/S 93.8627<br>P/L 88.7495 | 0.09 | - | 0.09 | - | Nil | - | - | - | - | Nil | 100 |
| 14 | Falcon Health Solutions Puerto Rico LLC | 31.03.2026 | USD | B/S 93.8627<br>P/L 88.7495 | - | 3.40 | 68.43 | 65.03 | Nil | - | - | - | - | Nil | 100 |
| 15 | Team HGS Australia Pty Ltd | 31.03.2026 | AUD | B/S 64.3312<br>P/L 58.9713 | 6.93 | (34.30) | 116.76 | 144.13 | Nil | 288.39 | (9.52) | 0.30 | (9.82) | Nil | 100 |
| 16 | Diversify ISS BGC Inc | 31.03.2026 | PHP | B/S 1.5464<br>P/L 1.532 | 1.91 | 26.31 | 195.68 | 167.45 | Nil | 249.28 | 15.28 | 2.77 | 12.51 | Nil | 100 |
| 17 | Diversify Offshore Solutions Cebu Inc | 31.03.2026 | PHP | B/S 1.5464<br>P/L 1.532 | 0.46 | (1.15) | 1.82 | 2.51 | Nil | 18.48 | (4.80) | 0.63 | (5.44) | Nil | 100 |

# Statement pursuant to Section 129 (3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 [AOC-1].

**(Rs. in Crore, unless otherwise stated)**

| Sr. No. | Name of the Subsidiary | Reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 18 | HGS CX Technologies Inc. | 31.03.2026 | USD | B/S 82.1128<br>P/L 80.564 | 1,233.81 | (103.15) | 2,435.86 | 1,305.20 | Nil | 1,195.98 | (134.35) | (5.29) | (129.06) | Nil | 100 |
| 19 | HGS AG | 31.03.2026 | CHF | B/S 116.9444<br>P/L 111.0118 | 1.17 | 13.86 | 22.11 | 7.08 | Nil | 22.32 | (6.88) | 2.63 | (9.51) | Nil | 100 |
| 20 | HGS Colombia S.A.S | 31.03.2026 | COP | B/S 0.0256<br>P/L 0.0227 | 36.29 | (29.59) | 18.47 | 11.77 | Nil | 35.70 | (8.52) | - | (8.52) | Nil | 100 |
| 21 | Team HGS South Africa | 31.03.2026 | ZAR | B/S 5.4935<br>P/L 5.1481 | - | (23.45) | 78.59 | 102.05 | Nil | 39.87 | (0.05) | - | (0.05) | Nil | 100 |
| 22 | Indusind Media & Communications Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 48.66 | 35.59 | 292.56 | 208.31 | Nil | 41.93 | (4.68) | 0.91 | (5.59) | Nil | 79.75% |
| 23 | OneOtt Inentertainment Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 28.22 | 136.72 | 633.41 | 468.47 | Nil | 187.20 | (91.29) | (2.89) | (88.40) | Nil | 71.65% |
| 24 | HGS Digital Pvt Ltd | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.01 | (0.00) | 0.01 | 0.00 | Nil | - | (0.00) | - | (0.00) | Nil | 100.00% |
| 25 | Ajanta Sky Darshan Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.02 | (0.17) | 0.72 | 0.87 | Nil | - | (0.00) | - | (0.00) | Nil | 100.00% |
| 26 | Sangli Media Services Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 1.02 | (0.80) | 3.11 | 2.89 | 0.00 | 1.27 | 0.01 | (0.00) | 0.01 | Nil | 51.00% |
| 27 | United Mysore Network Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 2.27 | (2.89) | 0.00 | 0.62 | Nil | - | (0.03) | - | (0.03) | Nil | 99.45% |
| 28 | Gold Star Infotainment Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.93 | (0.96) | - | 0.04 | Nil | - | (0.00) | - | (0.00) | Nil | 98.92% |
| 29 | Sainath Inentertainment Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.50 | (3.06) | 1.98 | 4.54 | Nil | 1.80 | 0.03 | 0.00 | 0.03 | Nil | 51.00% |
| 30 | Darpita Trading Company Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 1.00 | 1.43 | 16.87 | 14.45 | Nil | 18.09 | 1.53 | 0.40 | 1.12 | Nil | 51.00% |
| 31 | Gold Star Noida Network Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 2.62 | (8.47) | 0.74 | 6.58 | Nil | - | (0.00) | - | (0.00) | Nil | 100.00% |

## Statement pursuant to Section 129 (3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 [AOC-1].

**(Rs. in Crore, unless otherwise stated)**

| Sr. No. | Name of the Subsidiary | Reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 32 | USN Networks Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 1.87 | (2.18) | 0.05 | 0.36 | Nil | - | (0.00) | - | (0.00) | Nil | 100.00% |
| 33 | Bhima Riddhi Infotainment Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 1.02 | 18.24 | 49.61 | 30.35 | 0.01 | 99.80 | (5.05) | (0.06) | (4.99) | Nil | 51.00% |
| 34 | Sunny Infotainment Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.15 | (0.79) | 0.18 | 0.82 | Nil | - | (0.00) | - | (0.00) | Nil | 100.00% |
| 35 | Apna Incable Broadband Services Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 1.74 | (3.51) | - | 1.77 | Nil | - | (0.04) | - | (0.04) | Nil | 100.00% |
| 36 | RBL Digital Cable Network Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.10 | 0.01 | 0.12 | 0.01 | Nil | - | (0.00) | - | (0.00) | Nil | 100.00% |
| 37 | Vistaar Telecommunications and Infrastructure Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.02 | (1.07) | 0.14 | 1.19 | Nil | - | (0.00) | - | (0.00) | Nil | 100.00% |
| 38 | Vinsat Digital Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.38 | (0.22) | 24.72 | 24.55 | Nil | 68.89 | 4.05 | (0.01) | 4.06 | Nil | 51.15% |
| 39 | IN Entertainment (India) Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 6.08 | 104.99 | 188.70 | 77.64 | 11.80 | 129.62 | (2.65) | (0.18) | (2.47) | Nil | 100.00% |
| 40 | Onemahanet Inentertainment Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 1.01 | (0.31) | 0.71 | 0.00 | Nil | - | (0.03) | - | (0.03) | Nil | 100.00% |
| 41 | Seven Star Balaji Broadband Private Limited | 31.03.2026 | ₹ | B/S 1<br>P/L 1 | 0.01 | 2.57 | 6.54 | 3.95 | Nil | 14.57 | (1.24) | (0.31) | (0.93) | Nil | 51.00% |

# Contact us


**Registered Office: Mumbai**
Tower C, 1st Floor, Plot C-21, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400051
Tel: +91-22-61360407

**Corporate Office: Bengaluru**
1st Floor, Gold Hill Square Park,
#690, Bommanahalli,
Hosur Road, Bengaluru.
PIN - 560068. India
Tel: +91-80-46431000

**HGS USA**
13501 Galleria Circle,
Suite W-240,
Austin,
TX 78738

**HGS Philippines**
21F Zeta Tower, Bridgetowne,
E. Rodriguez Jr. Ave.
Quezon City,
Metro Manila 1110 Philippines
+63 (02) 3434 5300

**HGS AG**
Platz 4, 6039 Root, Luzern,
Switzerland
Phone: +41 41 552 33 70

**HGS UK**
Suite 14, 1st Floor,
Ealing Cross,
85 Uxbridge Road,
London W5 5BW

**HGS Australia**
Level 33, Australia Square
264 George Street
Sydney, NSW 2000
Australia
Phone: 1300 308 958

**HGS Jamaica**
113 Constant Spring Road
Kingston 8, Jamaica
Phone: +1 876 9684475

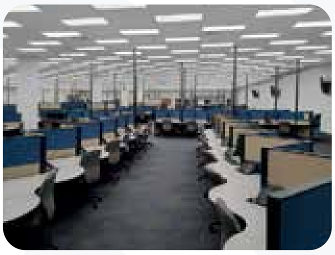
**HGS Colombia**
Atlántica Torre Empresarial
Cra 53, Calle 80-198
Barranquilla, Colombia

**NXTDIGITAL Headquarters**
49/50, IN CENTRE, 12th Road, MIDC,
Andheri East, Mumbai - 400093, Maharashtra.
Phone: +91 22 2820 8585
Email: care@nxtdigital.in

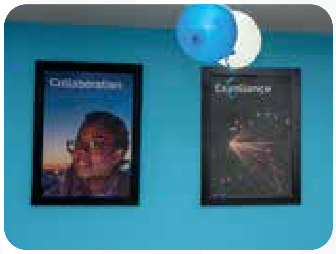
**Emails:**
**Business Enquiry: marketing@teamhgs.com**
**Careers: careers@teamhgs.com**
**Investor related: investor.relations@teamhgs.com**

# NOTES

# A GLIMPSE OF HGS' PRESENCE GLOBALLY















Concept, Content & Design by DJ Mediaprint & Logistics Limited (sales@djcorp.in)
Designed by HGS Interactive

hgs

CIN: L92199MH1995PLC084610

**Registered Office:**
Hinduja Global Solutions Ltd., Plot C-21, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.
**Tel**: +91 22 6136 0407 I **Email**: Investor.relations@hgs.com I **Web**: www.hgs.com

**Corporate Office:**
Hinduja Global Solutions Ltd., 1st Floor, Gold Hill Square Park, #690, Bommanahalli,
Hosur Road. Bangalore - 560068. Karnataka India.
**Tel**: +91 80 46431200

# HINDUJA GLOBAL SOLUTIONS LIMITED

CIN: L92199MH1995PLC084610
Registered Office: Tower C, 1st Floor, Plot C-21, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Phone No.: 022-6136 0407 | E-mail Id: investor.relations@hgs.com | Website: www.hgs.com

## NOTICE

**NOTICE** is hereby given that 31st Annual General Meeting ('AGM') of the Members of **Hinduja Global Solutions Limited** ('the Company' or 'HGS') will be held on **Friday, September 25, 2026, at 5.00 p.m. IST** through Video Conferencing / Other Audio-Visual Means ('VC' or 'OAVM') to transact the following businesses:

**ORDINARY BUSINESS**

**1.** To receive, consider and adopt:
   a) the audited financial statements of the Company for the financial year ended March 31, 2026, along with the reports of the Board of Directors and the Auditors thereon; and
   b) the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2026, along with the report of the Auditors thereon.

**2.** To declare a final dividend of Rs. 5 per equity share (on an equity share of par value of ₹ 10/- each) for the financial year ended March 31, 2026.

**3.** To consider the appointment of a Director in place of Mr. Amit Saharia (DIN:10652099), who retires by rotation and being eligible, offers himself for re-appointment.

To consider, and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Amit Saharia (DIN: 10652099), who retires by rotation, be and is hereby re-appointed as a director (Non-Executive & Non-Independent Director) liable to retire by rotation."

**SPECIAL BUSINESS**

**4. Ratification of the remuneration payable to Cost Auditors for the financial year ending March 31, 2027.**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and Rule 6 of the Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. ABK & Associates, Cost Accountants [Firm Registration No. 000036], Cost Auditors appointed by the Board of Directors of the Company to conduct audit of the cost records maintained by the Company for the financial year ending March 31, 2027, be paid remuneration of ₹ 50,000/- plus applicable taxes and out-of-pocket expenses incurred by them for the purpose of Audit, and the same be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors or Chief Financial Officer or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary and desirable to give effect to this Resolution.”

By Order of the Board
For **Hinduja Global Solutions Limited**

Sd/-
**Narendra Singh**
**Company Secretary**
**F4853**

Place: Mumbai
Date : August 7, 2026

**NOTES:**

1. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 20/2020 dated May 05, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated September 22, 2025 ('MCA Circulars') has allowed the companies to conduct the Annual General Meeting ('AGM') through Video Conferencing or Other Audio-Visual Means ('VC'). In compliance with these MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), 31st AGM of the Company shall be conducted through VC on Friday, September 25, 2026, at 5.00 p.m. IST.

2. The registered office of the Company shall be the deemed venue for the AGM. National Securities Depository Limited ('NSDL') will be providing facility for remote e-Voting, participation in the AGM through VC and e-Voting during the AGM. The Company has also published an advertisement in newspapers containing the details about the AGM i.e., the conduct of the AGM through VC, date and time of the AGM, availability of the notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses with the Company/ RTA and other related matters as may be required.

3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since the 31st AGM is being held through VC in compliance with the MCA Circulars, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for 31st AGM. Hence, the Proxy Form and Attendance Slip, including Route Map, are not annexed to this Notice.

4. An Explanatory Statement pursuant to Section 102 of the Act setting out details relating to Special Business appearing under Item No. 4 of the accompanying Notice, is annexed hereto. In accordance with Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, the relevant details relating to Item No. 3 in respect of the Director seeking re-appointment at this AGM is annexed hereunder and is also appearing in the Board's Report forming part of Annual Report 2025-26. Further, requisite declaration/ confirmation have been received from the Director seeking re-appointment. The matters under Special Businesses of the AGM Notice are considered to be unavoidable by the Board of Directors of the Company and hence included.

5. Members attending 31st AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e., Friday, September 18, 2026.

6. Institutional investors and Corporate Members are encouraged to attend and vote at 31st AGM through VC. Institutional investors and Corporate Members (i.e., other than individuals, HUF's, NRI's etc.) intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or to vote through remote e-voting are requested to send a scanned copy (PDF/ JPEG format) of the Board resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act to Scrutinizer Mr. Virendra Bhatt at e-mail: bhattvirendra1945@yahoo.co.in or send to the Company by e-mail at: investor.relations@hgs.com

7. In case of joint holders, Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

## BOOK CLOSURE, RECORD DATE AND DIVIDEND

8. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 19, 2026, to Monday, September 21, 2026 (both days inclusive) for the purpose of AGM.

9. The Company has fixed **Friday, September 18, 2026,** as the **'Record Date'** for the purpose of determining the members eligible to receive dividend for FY 2025-26

10. The final dividend of ₹ 5 per equity share of ₹10 each (50%), if approved at the AGM, will be paid subject to the deduction of tax at source ('TDS') within thirty days from the date of declaration by the Shareholders to the Members whose names are borne on the Company's Register of Members as on Record Date i.e. September 18, 2026. In respect of Shares held in dematerialised form, the Dividend will be paid on the basis of list of Beneficial ownership furnished by the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as on the aforesaid Record Date.

11. Members are requested to register / update their complete bank details with their Depository Participant(s), if shares are held in dematerialized mode, by submitting forms and documents as may be required by the Depository Participant(s). Payment of dividend shall be made through electronic mode to those members, holding shares in dematerialised mode, who have updated their bank account details.

12. As per the Master Circular for Registrars to an Issue and Share Transfer Agents dated February 6, 2026, issued by SEBI, payment of dividend to members holding shares in physical mode shall only be made electronically. Such payment shall be made only after they have furnished their Permanent Account Number, Contact Details (Postal Address, Mobile Number and E-mail), Bank Account Details, Specimen Signature, etc., for their corresponding physical folios with the Company / Registrar and Share Transfer Agent of the Company. In this regard the Company had sent letter, emails and SMS to its members for furnishing the required details. Please refer to SEBI FAQs by accessing the link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf.

13. In accordance with the provisions of the Income Tax Act, 2025 read with Income Tax Rules, 2026, as amended, and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company shall be taxable in the hands of the shareholders. Members are requested to complete and/or update their residential status, Permanent Account Number ('PAN'), category as per the Income-tax Act, and other relevant details with their Depository Participants ('DPs') or, in case the shares are held in physical form, with the Company/ Registrar and Share Transfer Agent ('RTA'), KFin Technologies Limited, by sending the requisite documents to investor.relations@hgs.com/einward.ris@kfintech.com or by visiting https://ris.kfintech.com/form15/ on or before August 31, 2026 to enable the Company to determine and deduct the appropriate TDS/withholding tax. No communication/documents for tax determination or deduction received after September 10, 2026, shall be considered.

14. SEBI has mandated submission of Permanent Account Number ('PAN') by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.

15. Members who hold shares in dematerialized form and want to provide/ change/ correct the bank account details should send the same immediately to their concerned DP and not to the Company. The Company will not entertain any such request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividends, RTA is obligated to use only the data provided by the Depositories, in case of dematerialized shares.

16. Members holding shares in physical form are requested to notify/ send the following to the Company's RTA, i.e., KFin Technologies Limited (Unit: Hinduja Global Solutions Limited), Selenium Tower B, 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddi, Telangana - 500032 to facilitate better service:
    i) Any change in their address/ mandate/ bank details/ email address;
    ii) Particulars of their bank account, in case the same have not been sent earlier; and
    iii) Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.

**DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL ID**

17. In compliance with the Circulars issued by MCA and SEBI, Notice of 31st AGM along with the Annual Report for FY 2025-26 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that the Notice and Annual Report 2025-26 is also be available on the Company's website at https://hgs.com/investors/annual-reports-hgsl/ websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at https://www.bseindia.com/ and https://www.nseindia.com/ respectively, and on the website of NSDL at www.evoting.nsdl.com

18. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's RTA, i.e., KFin Technologies Limited, Selenium Tower B, 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddi, Telangana - 500032.

19. In compliance with Regulation 36(1)(b) of the SEBI Listing Regulations, communication notifying that the Notice of 31st AGM along with the Annual Report for FY 2025-26 can be accessed through the weblink which is being sent separately to those shareholders who have not registered their E-mail IDs either with the Company or with any Depository.

20. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their question(s) in writing to the Company Secretary at least 7 (seven) days before the date of the AGM, so that, the requested information may be made available at the Meeting.

**REGISTRATION OF PAN, KYC DETAILS AND NOMINATION BY PHYSICAL SHAREHOLDERS**

21. SEBI, vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, as amended, has mandated registration of PAN, KYC details (viz., i. Contact details, ii. Mobile No., iii. Bank Account details, iv. Signature) and Choice of Nomination, by holders of physical securities. Further, Members who hold shares in physical form and whose folios are not updated with any of the above details, shall be eligible to get dividend only in electronic mode with effect from 1st April, 2024.

    The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication was also intimated to the Stock Exchanges and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are once again requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and may consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link https://hgs.com/investors/kyc-documents/ or contact the Company's RTA - KFin Technologies Limited at einward.ris@kfintech.com for assistance in this regard.

22. As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with KFin or make cancellation/ changes to their nomination details through Form SH-14. Members can also opt out of nomination through Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DPs and not to the Company or KFin. The relevant forms are available on the Company's website at https://hgs.com/investors/kyc-documents/

23. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company and the Company's RTA of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings may be verified from time to time.

24. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its RTA or the concerned DP(s), as the case may be:-
    a) the change in the residential status on return to India for permanent settlement, and
    b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

25. SEBI has made available an online dispute resolution mechanism through the SMART ODR Portal for investors to raise disputes arising in the Indian Securities Market.

    After exhausting the options to resolve their grievances directly with the Company/ RTA and through the SCORES platform, investors can initiate dispute resolution through the SMART ODR Portal, as provided by SEBI vide circulated dated February 6, 2026.

**SPECIAL WINDOW FOR RE-LODGEMENT OF TRANSFER REQUESTS OF PHYSICAL SHARES**

26. SEBI vide Circular dated January 30, 2026, has provided a special window for transfer and dematerialisation of physical securities, including re-lodgement of transfer deeds, which were lodged prior to the deadline of April 1, 2019 and rejected/ returned/ not attended due to deficiency in the documents/ process/ or otherwise, for a further period of one year from February 5, 2026 to February 4, 2027, in order to facilitate ease of investing for investors and to secure the rights of investors in the securities which were purchased by them.

    During this special window, the securities transferred pursuant to the said circular shall be issued only in dematerialised form after following the due process prescribed for transfer and dematerialisation of physical securities.

    In view of this, the concerned investors are requested to submit their transfer requests, including re-lodgement of previously rejected, returned or unattended transfer requests along with the requisite documents, to our Registrar and Share Transfer Agenda (RTA), KFin Technologies Limited Selenium building, Tower B, Plot 31 - 32 Financial District, Nanakramguda, Serilingampally Hyderabad, Rangareddi, Telangana - 500032 Tel No: 040-67162222 E-mail: einward.ris@kfintech.com within the above mentioned period. Relevant investors are encouraged to take advantage of this one-time window.

**INVESTOR EDUCATION AND PROTECTION FUND (IEPF) RELATED INFORMATION**

27. Members who wish to claim their unclaimed dividend are requested to either correspond with the Corporate Secretarial Department at the Company's Registered Office or the Company's RTA, i.e., KFin for encashment before the due dates. The details of unclaimed dividends are available on the Company's website at www.hgs.com Members are requested to note that the dividend remaining unclaimed for a period of seven (7) consecutive years from the date of transfer to the Company's Unpaid dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In

addition, all shares in respect of which dividend has not been claimed for seven (7) consecutive years or more shall be transferred to demat account of the IEPF Authority within a period of thirty (30) days of such shares becoming due to be transferred.

In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website http://www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

28. Pursuant to the Rule 5(8) of the Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on September 25, 2025 (i.e. date of last Annual General Meeting) on its website at https://hgs.com/investors/other-reports/#toggle-id-7 and also on the website of the Ministry of Corporate Affairs.

## PROCEDURE FOR INSPECTION OF DOCUMENTS

29. The following documents will be available for inspection by the Members electronically during 31st AGM. Members seeking to inspect such documents can send an email to investor.relations@hgs.com
    a) Certificate from the Secretarial Auditors relating to the Company's Stock Options/ Restricted Stock Units Plans under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
    b) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Act.

Members may note that all documents referred to in this Notice and Explanatory Statement will be also available for electronic inspection without any fee by the Members from the date of dispatch of this notice up to the date of AGM, basis the request being sent by the members on e-mail to investor.relations@hgs.com

In case of any queries regarding the Annual Report 2025-26, the Members may write to investor.relations@hgs.com. Members are requested to always quote their Folio No./ DP ID - Client ID in all correspondence with the Company and the Company's RTA.

## REMOTE E-VOTING AND E-VOTING DURING AGM

30. In compliance with provisions of Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended; Regulation 44 of SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide Members with a facility to exercise their right to vote by electronic means for the business to be transacted at the AGM.

31. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e., Friday, September 18, 2026, shall only be entitled to attend and vote through remote e-voting as well as e-voting during the 31st AGM. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

**Remote e-voting period commences on Monday, September 21, 2026, at 9:00 a.m. IST and ends on Thursday, September 24, 2026, at 5:00 p.m. IST.**

The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

32. The Company has appointed Mr. Virendra G Bhatt, Practicing Company Secretary, Mumbai, (Membership No.: ACS 1157 and C. P. No. 124) or in his absence, Ms. I. Javeri (ACS 2209, C.P. No. 7245) as Scrutinizer (the 'Scrutinizer'), to scrutinize the remote e-voting and e-voting that will take place at the 31st AGM through VC in a fair and transparent manner.

33. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations read with MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM, through e-Voting agency NSDL. The facility of casting votes by a member using remote e-Voting system as well as e-voting that will take place at 31st AGM, will be provided by NSDL.

34. **Voting at the e-AGM:** Members who are present at 31st AGM through VC and have not cast their vote on resolutions through remote e-voting, can vote through e-voting facility provided by NSDL at the AGM. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting. However, those Members are not entitled to cast their vote again at the Meeting.

35. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting during the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote during the AGM shall be treated as invalid.

36. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through e-voting (votes cast during the AGM and votes cast through remote e-voting), count the votes and shall submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, within 2 working days from the conclusion of the AGM to the Chairman of the Company or a person authorised by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of voting forthwith.

37. On the receipt of the scrutinizer report, the results of the e-voting along with the scrutinizer's report shall be communicated immediately to the BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed and shall be placed on the Company's website www.hgs.com and on the website of NSDL at www.evoting.nsdl.com

**Item No. 3**

**Re-appointment of Mr. Amit Saharia (DIN: 10652099) as Director liable to retire by rotation**

Mr. Amit Saharia (DIN: 10652099), was appointed as Non-Executive Non-Independent Director, liable to retire by rotation, effective September 25, 2025. In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Amit Saharia is liable to retire by rotation at the 31st Annual General Meeting ('AGM') to be held on September 25, 2026. He, being eligible, has offered himself for re-appointment as a Director of the Company.

In view of the above, the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on August 07, 2026, have approved and recommended the re-appointment of Mr. Amit Saharia and his continuation as Non-Executive Non-Independent Director of the Company. Accordingly, consent of the Members is being sought by way of an Ordinary Resolution at the ensuing 31st AGM to be held on September 25, 2026, for his re-appointment.

Mr. Amit Saharia is not related to any other Directors of the Company. Except Mr. Amit Saharia who is being re-appointed, none of the Directors and/ or Key Managerial Personnel of the Company and their relatives, are directly or indirectly concerned or interested financially or otherwise in the resolution set out at Item No. 3 of the accompanying Notice.

Details of Amit Saharia, pursuant to the provisions of (i) the SEBI Listing Regulations; and (ii) Secretarial Standard on General Meetings ('SS-2'), issued by the Institute of Company Secretaries of India, are provided in '**Annexure A**' to the Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

**Item No. 4**

**Ratification of the remuneration payable to Cost Auditors for the financial year ending March 31, 2027**

The Board of Directors, on the recommendation of the Audit Committee, approved the appointment of M/s. ABK & Associates, Cost Accountants [Firm Registration No.: 000036] as the Cost Auditors of the Company for auditing the cost records of "Telecommunication activity' pertaining to digital media business, maintained by the Company for the financial year ending on March 31, 2027, at a remuneration of ₹ 50,000/- plus out-of-pocket expenses and applicable taxes.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the Members of the Company.

M/s. ABK & Associates, Cost Accountants, Mumbai have confirmed that they are eligible to be appointed as Cost Auditors of the Company and hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959. Accordingly, consent of the Members is sought for passing an Ordinary Resolution set out at Item No. 4 for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027.

None of the Directors and/ or Key Managerial Personnel of the Company and their relatives, are directly or indirectly concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the accompanying Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members.

By Order of the Board
For **Hinduja Global Solutions Limited**

Sd/-
**Narendra Singh**
**Company Secretary**
**F4853**

Place: Mumbai
Date : August 7, 2026

**ANNEXURE 'A' TO THE NOTICE**

[Information pursuant to the Regulation 30 and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Secretarial Standard - 2 on General Meetings in respect of Director seeking re-appointment]

[Item No. 3 of the Notice]

| | |
|---|---|
| Name of the Director | Mr. Amit Saharia |
| DIN | 10652099 |
| Date of Birth/ Age | May 13, 1978 - 48 years |
| Date of appointment/ re-appointment on the Board of Hinduja Global Solutions Limited (the 'Company' or 'HGS') | Director liable to retire by rotation and seeking re-appointment. |
| Qualification | • Master degree in Management Science from Case Western Reserve University, USA<br>• Master degree in Operations Research from St. Stephen's college, Delhi<br>• Undergrad degree in Mathematics from St. Stephen's College, Delhi. |
| Brief resume and nature of expertise in functional areas. | Mr. Amit Saharia have more than 25 years of industry and global management consulting experience spanning private as well as public sector. In current leadership role at the Hinduja Group, Mr. Saharia is responsible for shaping the future strategy of the Group across different existing and new verticals of global play. As part of the same he supports in formulation of group strategy for both existing traditional as well as new age businesses; design through implementation, further including strategic enablers beyond core functions, such as digital technology and sustainability.<br><br>Prior to joining the Company, he served senior agenda of leading global companies across multiple industries such as Consumer Products, Information Technology, Industrial Products, Pharmaceutical and Healthcare and Automotive. Areas of expertise include Corporate Strategic Business Planning, Merger and Acquisition Strategy, Strategic Operations & Supply Chain Management, Enterprise Cost Reset (ZBB) and Business Process Optimisation enabled with "Digital Reset".<br><br>Mr. Saharia brings deep business understanding and strategic operations experience in end-to-end value chain functions including Sourcing & Procurement, Manufacturing, Supply Chain, Warehousing & Distribution, Logistics and Sales, large scale digital-led transformation, recovery and change management experience across diverse geographies and markets i.e., USA, Europe, Middle East and Asia. |
| Relationship between Directors/ KMP inter-se. | None |

| | |
|---|---|
| Name of the listed companies in which the person holds Directorships (excluding HGS). | None |
| Memberships/ Chairmanship of Committees of the Board of Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee) (excluding HGS & its subsidiaries and Foreign entities). | None |
| Name of the listed entities from which the person has resigned in past three years. | None |
| Number of meetings of the Board attended during the year 2025-26. | 3 Meetings attended during the year 2025-26. |
| Details of Shareholding of Non-Executive Director, including shareholding as a beneficial owner | Nil |
| Terms and conditions of appointment | Appointed as a Non-Executive Director, liable to retire by rotation. |
| Details of remuneration last drawn (for FY 2025-26) | Refer Report on Corporate Governance for FY 2025-26. |
| Details of remuneration sought to be paid in 2026-27 | Sitting Fees; and Commission, if any, as recommended by the NRC and approved by the Board. |

## PROCEDURE FOR REMOTE E-VOTING

i) In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and as per Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Company is providing e-voting facility through NSDL on all resolutions set forth in this Notice, from a place other than the venue of the Meeting, to Members holding shares as on September 18, 2026, being the cut-off date fixed to determine eligible Members to participate in the remote e-voting process ('Cut-off' date'). The instructions for e-voting are given below.

ii) Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service providers (ESPs) thereby not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iii) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com.

iv) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

v) The details of the process and manner for remote e-Voting and joining virtual AGM are explained herein below:

**The remote e-voting period begins on Monday, September 21, 2026, at 9:00 a.m. IST and ends on Thursday, September 24, 2026, at 5:00 p.m. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the Cut-off date i.e. September 18, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date, being September 18, 2026.**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

As per the SEBI Circular dated January 30, 2026, as amended, all individual Members holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts, websites of the Depositories or Depository Participants. The procedure to log in and access remote e-voting, as devised by the Depositories and Depository Participants is provided below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br><br>2. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br><br>3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br><br>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br><br>5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.<br><br>**NSDL Mobile App is available on**<br>App Store Google Play |

| | |
|---|---|
| Individual Shareholders holding securities in demat mode with CDSL | 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.<br><br>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br><br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br><br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.<br><br>Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.<br><br>Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

**Note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 a request at evoting@nsdl.com 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 a request at helpdesk.evoting@cdslindia.com or contact at Toll Free No. 1800-21-09911 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID.<br><br>For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID.<br><br>For example, if your Beneficiary ID is 12************** then your user ID is 12************** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company.<br><br>For example, if folio number is 001*** and as the EVEN is 141062, then user ID is 141062001*** |

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company (i.e. 141062) to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote
8. **General Guidelines for shareholders**
   i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bhattvirendra1945@yahoo.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
   ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
   iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Apeksha Gojamgunde at evoting@nsdl.com

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice**:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@hgs.com

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor.relations@hgs.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively, shareholder/ members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

**INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolution(s) through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under **“Join meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder / Member login where the EVEN of Company (i.e. 141062) will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

## GENERAL INSTRUCTIONS

i) **Speaker Registration:** Members who would like to express their views or ask questions during the AGM may pre-register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at investor.relations@hgs.com between **September 15, 2026 (9:00 a.m. IST) to September 21, 2026 (5:00 p.m. IST)**. The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the AGM. Further, the sequence in which the shareholders will be called upon to speak will be solely determined by the Company.

ii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Apeksha Gojamgunde at evoting@nsdl.com

Members of the Company holding shares either in physical form or in demat form as on the Cut-off date of **September 18, 2026** may cast their vote by remote e-Voting. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM. A person who is not a Member as on the Cut-off Date, should treat the Notice for information purpose only. Any person holding shares in physical form and Member other than individual Member who acquires shares of the Company and becomes a Member of the Company after the Notice is sent through e-mail and holding shares as on the cut-off date, i.e., **September 18, 2026** may obtain the User ID and Password by sending a request at **evoting@nsdl.com**. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on **www.evoting.nsdl.com** or call on 022 - 4886 7000.

In case of individual Members holding shares in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, i.e. **September 18, 2026,** may follow steps mentioned under "Access to NSDL e-Voting system."

iii) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the e-votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, not later than 2 working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him who shall counter sign the same.

iv) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hgs.com and on the website of NSDL at www.evoting.nsdl.com. immediately after the Result is declared by the Chairman or any other person authorized by him and shall be simultaneously communicated to the National Stock Exchange of India Limited and BSE Limited, where the Equity shares of the Company are listed. The Results shall also be displayed on the Notice Board at the Registered Office and Corporate Office of the Company.

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