



R SYSTEMS INTERNATIONAL LIMITED

Corporate Identity Number: L74899DL1993PLC053579

Registered Office: GF-1-A, 6, Devika Tower, Nehru Place, New Delhi – 110019, India

Corporate Office: 3rd Floor, Tower No. 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector TechZone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh - 201306, India

rsystems.com

Phone: +91-120-4303500 | **Email:** rsil@rsystems.com

REF:SECT/05/2025/30

DATE: MAY 20, 2025

To, The Managing Director National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra – East, Mumbai – 400 051 NSE Symbol - RSYSTEMS	To, The General Manager BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 BSE Scrip Code – 532735
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Dear Sir,

**SUB: SUMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED ON DECEMBER 31, 2024
ALONG WITH THE NOTICE CONVENING 31ST ANNUAL GENERAL MEETING**

We wish to inform you that the 31st Annual General Meeting (“AGM”) of the Members of R Systems International Limited (“Company”) is scheduled to be held on Thursday, June 12, 2025, at 10:00 A.M. (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Accordingly, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed (as **Annexure I**) the copy of the Annual Report of the Company comprising of Directors' Report, Corporate Governance Report, Management's Discussion and Analysis, Secretarial Audit Report, Risk Management Report, Business Responsibility and Sustainability Report, Auditors Report, Financial Statements, Notice for 31st AGM and other documents and information as required in the terms of the Listing Regulations and other applicable provisions, for the financial year ended December 31, 2024.

Declaration in respect of unmodified opinion on Audited Standalone and Consolidated Financial Results for the financial year ended on December 31, 2024 under Listing Regulations is also enclosed as **Annexure -II** for your reference.

Trust you would find the above in order and take the same on your record.

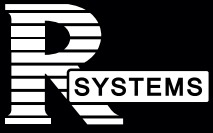
This is for your information and record.

Thanking you.

Yours faithfully,

For R Systems International Limited

Bhasker Dubey
(Company Secretary & Compliance Officer)



ANNUAL REPORT

2024

Where AI Meets Human Experience

Your Strategic Partner in Digital Product Engineering

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Forward-Looking Statement

This document contains statements about expected future events, financial and operating results of R Systems International Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed or implied in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in R Systems International Limited Annual Report 2024.

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2025 - Where AI Meets Human Experience

A revolution that will redefine the world's economic order is underway. Much like smartphones, which are an inseparable part of our daily lives, AI will soon play a fundamental role in every wake of human economic activity. At R Systems, we see this transformation not as a distant future but as today's reality, where AI is amplifying human capabilities and enhancing all human experiences.

The dawn of Agentic AI marks a pivotal moment in technology history. Beyond simply responding to commands, AI now anticipates needs, learns from interactions and adapts to human behaviors with remarkable precision. This evolution fundamentally changes how we build digital products, shifting from mere functionality to genuine human connection.

The AI landscape continues to evolve rapidly with Large Language Models (LLMs) like ChatGPT-o4, Claude, Gemini, and Llama leading broader adoption across industries. We recognize that different use cases require different approaches. While LLMs excel at general knowledge tasks, Small Language Models (SLMs) offer greater efficiency and focus for specialized applications. Our expertise spans the full spectrum of AI models, allowing us to match the right technology to each client's unique requirements. The foundation of effective AI implementation lies in data quality and preparation. Through our work with clients across sectors, we have developed robust methodologies for data preprocessing, cleaning, and enrichment that address the critical "garbage in, garbage out" challenge facing many AI initiatives. Our approach includes sophisticated techniques for handling unstructured data, enabling previously impossible insights from documents, images, and audio sources.

Organizations across both traditional industries and digital-native sectors are navigating this AI transition with common universal concerns. Regardless of industry or maturity, successful AI implementation requires data readiness, appropriate tooling selection, and clear business case focus. These fundamentals determine whether AI initiatives deliver sustainable value or become expensive experiments. Organizations that address these essentials systematically build competitive advantages, while those that overlook them risk falling behind regardless of their size or technical sophistication.

AI is also profoundly accelerating digital product engineering, compressing development timelines while expanding creative possibilities. Tasks that once required weeks are now completed in days or hours, allowing teams to iterate faster and deliver more sophisticated solutions. This acceleration forces organizations to rethink traditional constraints around product development cycles. Engineering teams empowered with AI tools can explore more design alternatives, catch issues earlier, and create experiences that adapt to user needs with greater precision. The result is a fundamental shift in both what digital products can achieve and how quickly they reach users.

What makes this moment unique is how AI is becoming the invisible orchestrator of human experiences. When we developed a GenAI-powered Q&A system for a mental health platform, the result was more than its efficient 24/7 support. The real value was realized through a 40% growth in user engagement and its more meaningful therapeutic interactions. As we progress through 2025, companies that flourish will be those that leverage AI's capabilities while maintaining a human-centric focus. This means developing interfaces that feel intuitive and natural, automating processes that free people for more creative work, and ensuring technology serves human values rather than the reverse.

R Systems is at a unique advantage in guiding its clients through this AI revolution. Our AI-Automation First methodology and growing portfolio of successful implementations demonstrate our commitment to this vision. Embedding intelligence into every layer of digital products and the process of creating them, we are delivering experiences that make technology more accessible, efficient and perceptive.

While there is significant excitement about the future possibilities, the road ahead requires thoughtful navigation. AI regulation, data privacy, and ethical considerations must guide implementation. Our approach factors these elements into every solution, ensuring AI serves as a tool for human advancement rather than replacement. As AI continues its rapid evolution, we are leveraging its abilities to create digital products that make technology more intuitive, personal, and impactful for everyone who uses it. The future we envision will see AI enriching the human experience for builders and users of technology alike.

Chairperson's Message

The past year has marked a significant chapter in R Systems' journey as a leading digital product engineering partner. Our progress demonstrates our commitment to enabling valuable human experiences through technology innovation.

I extend my sincere gratitude to our clients who continue to place their trust in our capabilities. Your partnership motivates us to deliver excellence across every engagement. To our dedicated employees worldwide, your expertise and passion create the foundation of our success. Your innovative spirit has established R Systems as a trusted name in digital transformation.

My appreciation also goes to our business partners, shareholders, and stakeholders whose support strengthens our strategic vision. Together, we are building a future where technology enhances human potential and creates a meaningful impact.

R Systems remains focused on delivering exceptional value where AI meets human experience, creating solutions that address real business challenges while prioritizing the people who use them.

Ruchica Gupta
Chairperson and Non-Executive
Independent Director

CEO & Managing Director's Letter

Throughout my career in technology, one belief has remained constant—the fundamental purpose of technology is to elevate human experience. Never has this been more evident than with artificial intelligence. What began as an exciting possibility has rapidly integrated into the fabric of our daily lives, transforming how we interact with technology and with each other.

The past year has witnessed a remarkable acceleration in AI adoption. Our journey with clients has evolved from cautious exploration, “Can AI really do this?” and “How much of this can be done with AI?” to confident implementation, “Can you deliver this with AI, in less time?” This shift reflects a maturing understanding of AI’s capabilities and its role in enhancing human potential.

This evolution is visible in our work across industries. A leading Swiss chemical company faced challenges with knowledge accessibility across its organization. Our AI assistant reduced search time by up to 30% and improved client satisfaction by 15%. The system excels where human abilities are limited, handling complex data formats while freeing specialists to focus on applying insights rather than searching for them. Similarly, in healthcare, we developed a mental health platform utilizing GenAI for 24/7 support. This solution increased user engagement by 40% while reducing response times by 25%-30%. GenAI is complementing therapists’ work by handling routine inquiries while enabling professionals to dedicate more time to personalized therapeutic interactions.

Our OptimaAI platform has become the core of our AI offering, with remarkable uplift this year. R Systems has delivered over 120 AI projects including proof of concepts that have significantly impacted clients’ operational metrics and has also established proof of concepts on many industry-specific applications. AI is accelerating the entire software development life cycle, from requirements analysis to deployment and maintenance. This acceleration particularly helps clients expedite their digital product engineering, enabling faster creation and delivery of innovative solutions. For our clients, this translates to quicker implementation of new features and accelerated adoption of emerging technologies.

Through these implementations, we have refined our approach to AI adoption. Our client conversations consistently highlight three key pillars that determine successful AI implementation.

- First, know your objectives and plan your ROI before diving in. A global media client needed to scale production knowledge across its worldwide talent pool. Our team created a multilingual creative knowledge hub that expanded beyond its initial scope to support content in multiple languages and roles, leading to improved creator onboarding and consistent production quality across regions.
- Second, understand which AI approach suits your specific needs. For an educational technology provider, what started as a request for topic-wise video segmentation evolved into a comprehensive AI-powered video intelligence suite. This solution includes features such as AI-generated summaries, avatar-based content delivery, and interactive learning tools that significantly enhance user engagement and learning outcomes.
- Third, remember that AI without proper data lacks any value. In the relocation and logistics domain, our team built an AI Policy Benchmarking tool that allowed HR teams to query and compare company policies using natural language. This LLM-based solution boosted workflow efficiency by 60-70% and reduced decision time by 55%, all while maintaining strict data governance standards.

R Systems takes a distinct approach to AI services through three interconnected strategies. We offer a holistic portfolio that integrates data platforms, computer vision capabilities, and AI services, recognizing that quality data foundations are essential for meaningful AI outcomes. Additionally, we incorporate AI throughout all stages of the software development life cycle, particularly focused on shortening the time-to-market for digital products. This integration improves quality, accelerates development cycles, and enhances the maintainability of solutions. Our work with Agentic AI moves significantly beyond basic automation, addressing complex process improvements and operational metrics for domain-specific applications that deliver uniquely tailored business value.

The current macroeconomic uncertainties and geopolitical tensions have influenced spending patterns across industries. Many organizations have become more cautious with discretionary investments, carefully evaluating technology initiatives based on immediate business impact. This market reality requires us to demonstrate even more clearly the value proposition and ROI of our solutions. We have high conviction in delivering continued value to our clients and stepping up to the ever-increasing relevance of our digital product engineering services.

Our talented global teams, trusted client relationships, and strategic partnerships position us strongly to deliver value at the intersection of AI and human experience. I encourage you to review the Management’s Strategic Insights section for an overview of our performance and strategic direction.

Nitesh Bansal
Managing Director &
Chief Executive Officer



Management's Strategic Insights

Business Overview

R Systems International Limited continued its growth trajectory in 2024 as a leading digital product engineering company. Our core offerings and services include digital product engineering, cloud and DevOps, data and AI, quality engineering, embedded and firmware, automation and digital ops, experience design (UX/CX), and modernization solutions.

The year witnessed accelerated AI adoption across our client base. Our team has implemented over 120 AI projects that transformed clients' operational metrics through industry-specific use cases. The OptimaAI platform emerged as an essential component of our technology approach, powering advanced capabilities across our customer portfolio and technical teams.

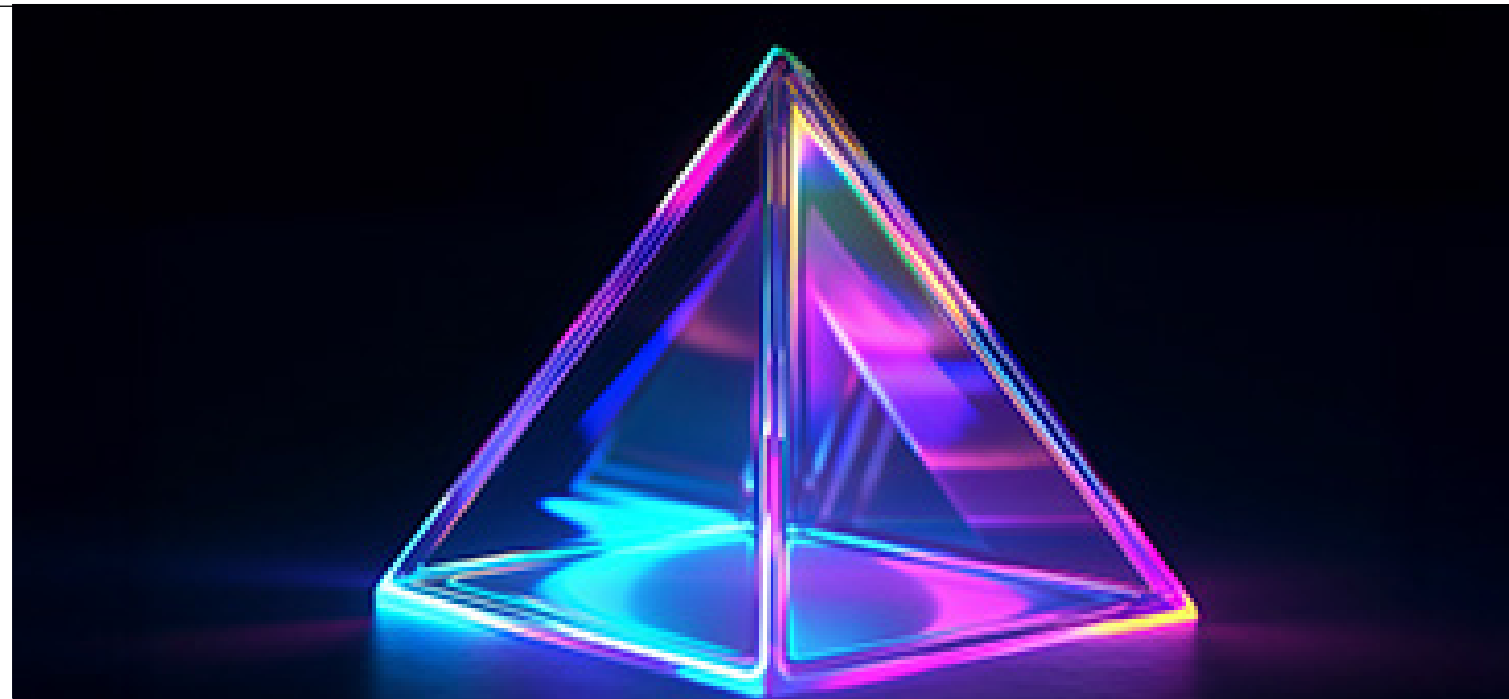
Financial Performance

The company achieved a significant milestone with an Adjusted EBITDA of 16.7% for the full year 2024, reflecting our commitment to operational excellence and fiscal responsibility. Despite macroeconomic uncertainties and geopolitical tensions influencing spending patterns, our targeted investments in sales and marketing capabilities position us strongly for the coming year.

New Solutions and Technologies

Several AI-powered solutions were launched during the year:

- EDI Partner Onboarding Solution leveraging Boomi Integration
- OptimaAI, a suite of services, tools, and frameworks for enterprise AI adoption
- Chaos Engineering Integrated DR Model enhancing business continuity



Our cloud transformation strategy successfully migrated over 1,000 infrastructure components, implemented SaaS solutions, modernized legacy systems, and created integrated Cloud-Data-AI solutions. A cornerstone of our cloud success has been FinOps, our structured approach to optimizing cloud economics.

Industry Performance

The healthcare sector presented significant opportunities with our solutions gaining traction among institutions seeking digital transformation. Similarly, the education sector emerged as a growth vector, with our adaptive learning solutions helping institutions personalize student experiences. In the Banking, Financial Services, and Insurance (BFSI) sector, our compliance-focused AI solutions resonated with clients navigating complex regulatory environments.

Private Equity Portfolio Companies

Our engagement with private equity-owned businesses showed substantial growth throughout 2024. Blackstone portfolio companies particularly benefited from our unique perspective as a fellow Blackstone company. This shared background allows us to understand their operational priorities, investment horizons, and value creation timelines with exceptional clarity. Our targeted solutions for PE-backed companies address their specific needs for accelerated digital transformation, rapid value realization, and technology-driven growth. The structural alignment between our delivery approach and PE investment cycles creates natural synergies that drive mutual success.

Geographic Expansion

We expanded our geographic footprint beyond our historical concentration in Noida to include new modern offices in Pune and Chennai, along with enhanced nearshore capabilities in Mexico City. This multi-nodal approach gives our clients greater flexibility while allowing us to tap into diverse talent pools.

Our European operations expanded beyond traditional telco markets into healthcare, manufacturing, and logistics, with success stemming from integrating group-level capabilities with local expertise across key regions including UK, DACH, and the Netherlands.

In Asia, we elevated R Systems' market presence as a strategic digital product engineering partner delivering end-to-end solutions with deep domain expertise and innovation capabilities across the region's high-growth markets.

Human Resources and Talent Management

As of December 31, 2024, the Company employed 4,300 professionals across 18 development centers globally. For 2024, all ten countries where R Systems has a presence were certified as Great Places to Work, with particularly strong improvements in key markets like India, the US, and Canada.

In 2024, we strengthened leadership by appointing key executives: a Chief Technology Officer, Chief Customer Officer, Chief Marketing Officer, Chief Human Resources

Officer, and two Senior Vice Presidents for delivery. These appointments expanded partnerships, refined our positioning, and enhanced our technical capabilities. We are augmenting our data and AI competencies through dedicated training programs. Our data and AI leadership team also consists of researchers led by a doctorate in AI. During the year, we also laid the groundwork for our talent framework to recognize different competencies and career levels, creating a more transparent system that aligns compensation with skill proficiency. Our performance evaluation now directly links learning and development with outcomes, with 15% of our developer scorecard dedicated to skill acquisition.

Quality Management and Information Security

During 2024, our Noida IT and Digital Operations Divisions underwent recertification audit for ISO 27001, assessment for SOC2 Type 2, and the IT division was successfully appraised for CMMI L5. Both divisions maintain certifications for ISO 9001:2015 and ISO 27001:2022, while we are well on our way to achieving HITRUST certification.

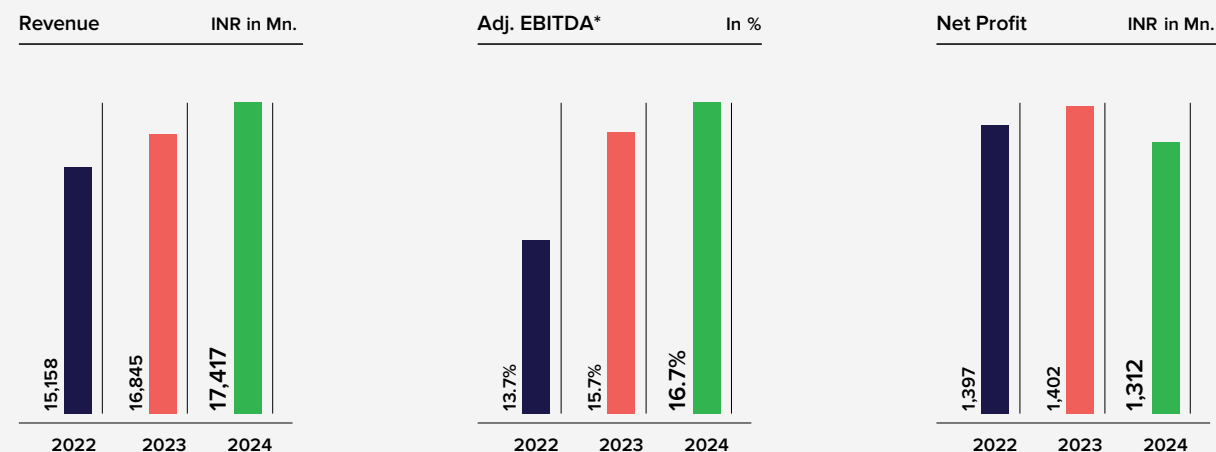
In 2024, we successfully recertified all three European hubs, Romania, Poland, and Moldova, for integrated management systems: Quality (ISO 9001), Information Security (ISO 27001), and Privacy (ISO 27701). We have also implemented the new 2022 version of the Information Security standard across these locations. R Systems has significantly improved our information security infrastructure while maintaining ISO, SOC2, and other crucial security standards.

Strategic Direction for 2025

Companies that succeed in 2025 will leverage AI capabilities while maintaining a human-centric focus. This means developing intuitive interfaces, automating processes that free people for creative work, and ensuring technology serves human values.

We will continue helping clients navigate AI implementation thoughtfully with appropriate skills and optimized infrastructure. Our significant training investments across AI technologies, including our strategic partnership with IIT Delhi's Center of Excellence on 'applied AI for sustainable systems' is strengthening our market position and solution delivery. The balance between technical excellence and practical business outcomes remains central to our mission, assisting clients in transforming technology investments into tangible competitive advantages.

Financial Highlights FY 2024



* Excluding share based payment and non-recurring cost

Performance Highlights

4300+

Workforce

300 +

Active clients

Over 90%

Repeat business

17,417 Mn. INR

Revenue

10

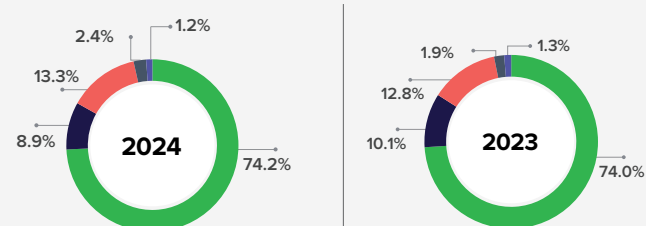
3+ Mn. USD clients

46

1+ Mn. USD clients

Revenue by geography

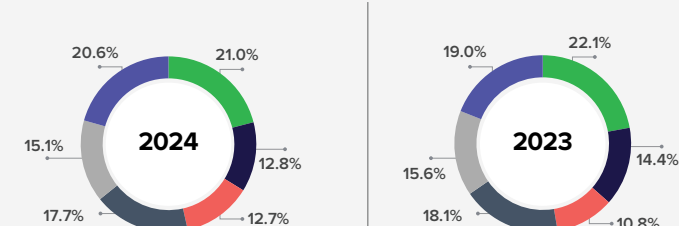
In %



North America
Europe
SEAC
India
Others

Revenue by vertical

In %



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

Our Global Delivery Capability

19

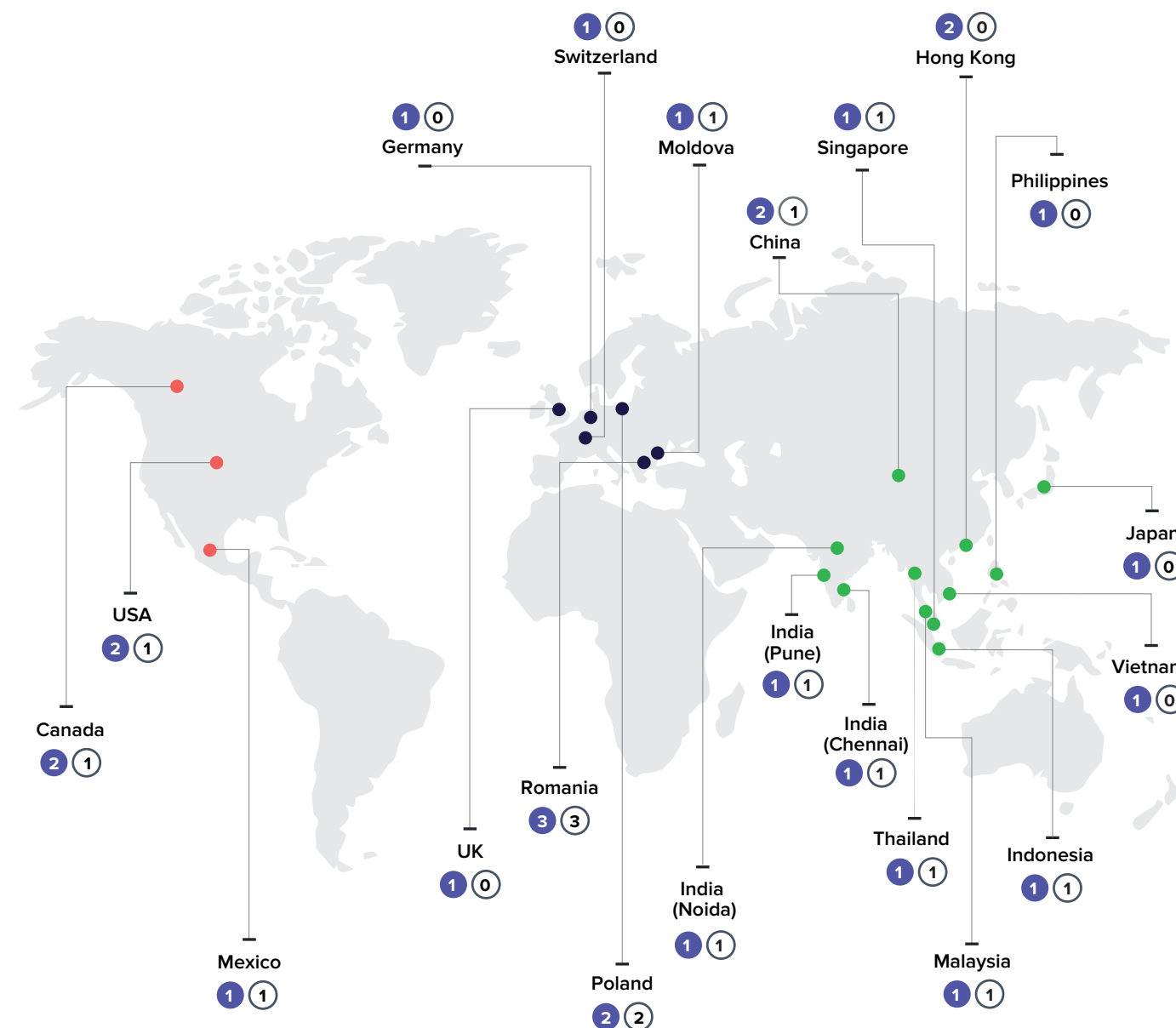
Countries

25+

Offices

17

Development centers



Offices Development centers

Continent

Europe North America Asia

Data Platforms

The Foundation of Enterprise AI Success

Robust data platforms transform fragmented information into trusted assets, establishing competitive advantages through proprietary data ecosystems. This foundation enables AI systems that deliver tangible business results and powers the next generation of intelligent digital products.

Creating competitive data moats

Quality and Governance



Clean, structured data improves model accuracy and ensures regulatory compliance.

Real-Time Capabilities



Streaming pipelines refresh dashboards and AI assistants within minutes, maintaining complete audit trails.

Personalized User Experiences



Integrated data platforms enable digital products to adapt intelligently to individual user behavior, increasing engagement and retention through relevant recommendations and contextual responses.

Cross-functional Intelligence



Unified data architecture allows insights to flow across organizational boundaries, enabling product teams to incorporate business intelligence directly into user workflows and decision processes.

R Systems has built specialized data platform teams with deep expertise in architectural design, cloud-native implementation, and governance frameworks. Our infrastructure investments support advanced data processing capabilities that help clients move from experimental AI to enterprise-scale deployments.

For digital product engineering teams, these data foundations determine both current product capabilities and future innovation potential. The most sophisticated digital products now integrate data platforms as core infrastructure that enables dynamic content, predictive interfaces, and personalized user experiences. Product teams that leverage robust data architectures can create solutions that learn and adapt to user patterns over time.

Organizations that prioritize data foundations gain lasting advantages as AI evolves. While algorithms become commoditized, quality data remains the true differentiator in enterprise AI success and the key enabler for transformative digital product experiences.

AI Transformation in Software Development Life Cycle (SDLC)

The software development life cycle stands at a unique intersection where AI enhances both creator and user experiences. This dual transformation changes what teams can achieve and accelerates value delivery, fundamentally reshaping digital product engineering approaches.

AI's role has rapidly progressed from code completion to intelligent agents that work across requirements, design, implementation, and testing phases. This represents a fundamental shift in how teams build software and engineer digital products that respond dynamically to user needs.

Both digital native companies and traditional enterprises across industries seek guidance in this complex landscape. Digital natives need to maintain technological leadership without chasing every new model, while traditional businesses require practical paths to AI adoption that align with existing systems. R Systems consulting bridges this gap through structured evaluation frameworks that:

- Map AI capabilities to specific business objectives
- Benchmark performance against industry-specific use cases
- Assess governance requirements against regulatory landscapes
- Project total cost of ownership beyond initial implementation

Transforming development across the spectrum

R Systems has completed more than 120 AI projects that substantially enhanced client operational metrics while developing concept proofs for various industry-specific applications. This integration compresses timelines from months to weeks and significantly increases output volume, enabling our digital product engineering teams to deliver more innovative features with greater reliability.

This approach helps clients avoid both premature commitment to suboptimal tools and missed opportunities from excessive caution. Our digital product engineering expertise offers organizations a reliable partner to navigate AI selection and integration decisions.

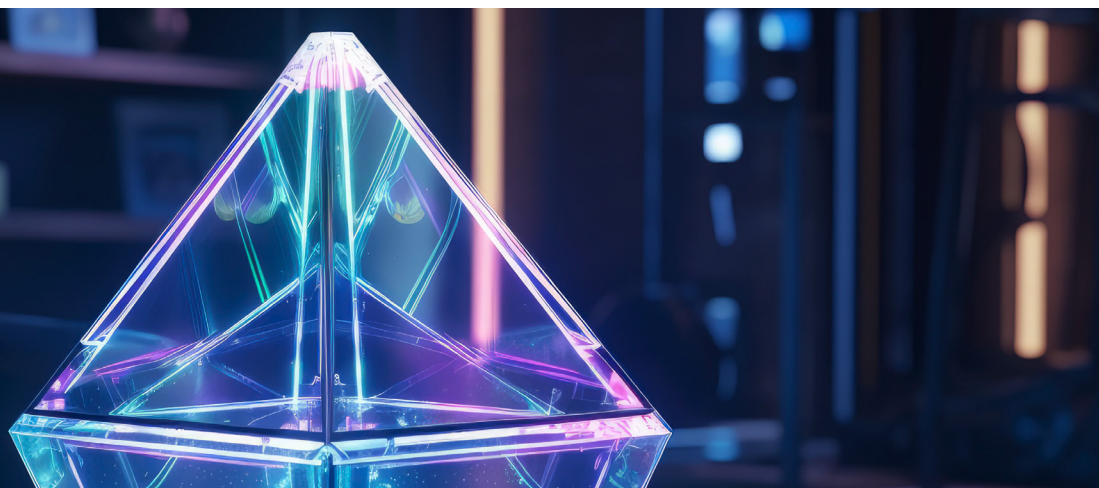
Vision becomes the new development constraint

As AI capabilities advance, the constraint shifts from developer capacity to organizational vision. Teams augmented with AI deliver substantially more functionality, creating opportunities to expand product scope rather than reduce staff. For digital product engineering, this shift enables unprecedented experimentation and innovation cycles that produce more intuitive, adaptive user experiences.

R Systems continues to invest in AI-first development practices that blend human creativity with machine efficiency, unlocking solutions to challenges that once seemed unattainable.

Navigating the complex AI tools landscape

The rapid pace of innovation creates significant challenges in AI technology selection. New models emerge weekly with varying capabilities, cost structures, and integration requirements. Organizations struggle to evaluate which solutions deliver sustainable value versus temporary advantages.



Redefining Quality Assurance with AI

Quality assurance transforms abstract code into reliable experiences that users trust. AI integration fundamentally alters how teams validate software, enhancing both QA professionals' capabilities and end-user satisfaction, while accelerating the development life cycle for complex digital products.

Moving beyond automation to intelligent testing ecosystems

Modern AI systems understand application context, generate sophisticated test scenarios, predict failures, and diagnose complex issues with minimal intervention. This enables thorough testing at scales previously constrained by time and resources, allowing digital product engineering teams to validate complex features that were once difficult to test comprehensively.

Discovering the undiscoverable through AI generation

Our AI-powered testing solutions have delivered 30% productivity improvements in quality assurance functions through:

- Automated generation of test cases covering edge scenarios that human testers might overlook
- Simulation of realistic user behavior patterns that identify performance bottlenecks
- Defect prediction and root cause analysis that reduces debug time from days to minutes

These capabilities enable digital product teams to build more sophisticated features with confidence, knowing that AI-powered testing can validate complex scenarios across different user journeys and environments.

Building advanced testing intelligence infrastructure

Successful AI testing integration requires careful model selection, balanced against cost and capability requirements. R Systems has invested in specialized testing frameworks and data quality pipelines that maximize AI testing effectiveness.

The rising role of quality governance specialists

Quality professionals now focus on quality governance rather than test execution, setting appropriate coverage targets and establishing metrics aligned with business objectives. This preserves the essential human elements of understanding business context while automating repetitive tasks. For digital product engineering, this shift enables continuous quality assurance throughout the development process rather than as a final stage.

R Systems continues to advance this human-AI partnership, delivering digital experiences that work flawlessly and enhance user satisfaction.



Cloud Security Imperatives in the AI Era

Cloud security has become fundamental to brand reputation and user safety. AI integration creates new possibilities for human-centered security that anticipates threats before impacting end users. For digital product engineering teams, security now serves as both an essential requirement and a strategic differentiator in market offerings.

Transformative AI-Powered threat detection networks

Advanced machine learning analyzes network traffic patterns to identify anomalies that conventional systems miss. Our enterprise clients use AI-driven analytics to detect potential threats through behavioral analysis, critical when monitoring infrastructure for subtle attack indicators. This capability allows digital product teams to build solutions with security intelligence embedded throughout the application architecture.

When protection itself becomes a vulnerability AI systems introduce unique security challenges. Large language models make impersonation attacks more convincing, while machine learning pipelines create multiple attack surfaces. R Systems' security teams help clients implement specialized monitoring tools against these emerging threats. Digital product engineers must now consider these AI-specific security vectors during initial design phases rather than as an afterthought.

Network defense breakthroughs

A major telecommunications client achieved 80% accuracy in identifying network issues through our AI-based solution. The system analyzes real-time video stream data and network metrics, enabling faster response to potential security incidents.


Building human-AI security partnerships

R Systems security implementations emphasize:


- Clear protocols for human oversight of AI security systems
- Structured testing against potential AI manipulation
- Security teams combining data science with traditional security skills
- Targeted training on recognizing AI-generated content

Our security practice continues expanding its capabilities through specialized talent development and advanced infrastructure investments, helping clients balance technological capability with human judgment in cloud security programs. This approach enables the creation of digital products that proactively protect user data and maintain trust throughout their life cycle.


Board of Directors




Ruchica Gupta
Chairperson and
Non-Executive
Independent Director




Nitesh Bansal
Managing Director and
Chief Executive Officer




Mukesh Mehta
Non-Executive Director




Amit Dalmia
Non-Executive Director



Animesh Agrawal
Non-Executive Director




Kapil Dhameja
Non-Executive
Independent Director




Aditya Wadhwa
Non-Executive
Independent Director


Executive Management Team




Nitesh Bansal
Managing Director and
Chief Executive Officer




Avirag Jain
Chief Operating Officer




Nand Sardana
Chief Financial Officer




Arun Raghavapudi
Chief Customer Officer




Srikara Rao
Chief Technology Officer




Satyadeep Mishra
Chief Human Resources
Officer




Sanjay Sahay
Chief Marketing Officer




Raluca Rusu
Chief Executive Officer
R Systems, Europe




Sidhartha Dubey
Head of Automation &
Digital Operations



Gunalan Kalairajan
Head of R Systems, Asia



Ashok Chawla
Senior Vice President,
Global Delivery



Shardul Sangal
Senior Vice President,
Global Delivery

Technology Leadership

In 2024, R Systems reinforced its position as a digital product engineering partner by scaling advanced automation platforms, enhancing operational resilience, and investing in security-first cloud practices. These initiatives address the growing demand for agile, maintainable, and risk-resilient systems.

A key enabler of this progress is OptimaAI, our enterprise-grade Generative AI suite designed to enhance engineering efficiency across the software development life cycle. It integrates seamlessly into enterprise environments, supporting compliance, version control, and traceability from the outset. Teams utilize OptimaAI for tasks such as code generation, automated testing, observability, and legacy modernization. Beyond engineering, it also augments customer service operations and internal workflows. As a modular platform, OptimaAI adapts to diverse technical stacks and operating models, enabling organizations to accelerate development while maintaining stability and governance.

Operational reliability also took center stage. We advanced our resilience engineering model by combining Chaos Engineering with Disaster Recovery-as-a-Service (DRaaS). Clients in healthcare, finance, and regulated public services were among

the early adopters. These implementations simulate controlled failures, memory leaks, API rate-limit breaches, and node outages, and measure recovery under stress. These simulations help teams identify design weaknesses early, quantify risk in operational terms, and implement controls that minimize disruption during real incidents.

Our cloud transformation practice continued to deliver in four core domains: infrastructure migration, SaaS rollouts, legacy modernization, and integrated Cloud-Data-AI solutions. Backed by structured FinOps, we have helped clients optimize cloud spending and apply usage governance without compromising performance. For a global financial institution, this included workload right-sizing across deployments on AWS, Azure, and Google Cloud, supported by automated alerts and usage forecasting tied to business cycles.

Computer Emergency Response Team (CERT) operates in five regions with 24/7 incident response capability.

Clients continue to seek solutions that are intelligent, adaptive, and secure by design. Our investments in platform automation, operational resilience, and cloud security reflect our long-term strategy to meet that need across industries and geographies.

Future-Ready Organization

In 2024, R Systems advanced its shift toward a capability-driven organization by expanding skills infrastructure, academic collaboration, and delivery scale. These efforts were designed to meet project demand and strengthen the systems that enable repeatable, high-quality execution across locations and technologies.

One of the year's most strategic steps was the establishment of the Center of Excellence on Applied AI for Sustainable Systems at IIT Delhi. Developed as a long-term partnership, this initiative includes an endowed faculty chair, lab infrastructure, and scholarships for technical students. It extends our innovation ecosystem into the research domain and builds a talent pipeline tuned to real-world implementation challenges.

In parallel, internal restructuring shaped a new skill-linked job architecture, replacing legacy hierarchies with growth paths based on role complexity and proficiency. This has enabled better alignment between learning, performance, and compensation, particularly for delivery roles and engineering specialists. Our delivery network continued to expand. New offices in Pune and Chennai are now fully operational. In Mexico City, a dedicated team serves Spanish-speaking customers of North American clients. These locations were selected for regional relevance, language compatibility, and delivery resilience.

Across geographies, we continue to deepen technical capability through Centers of Excellence (COE) in artificial intelligence, cloud, data, analytics,

and mobility. Teams are tasked with developing reusable assets, cross-functional solutions, and client accelerators that reduce time-to-market while maintaining code integrity and governance.

With investments in people, partnerships, and scalable practices, R Systems remains well-positioned to support clients with precision and continuity—regardless of market conditions.



Nitesh Bansal, CEO & MD, R Systems, with Prof. Rangan Banerjee, Director, IIT Delhi, after signing the MoU

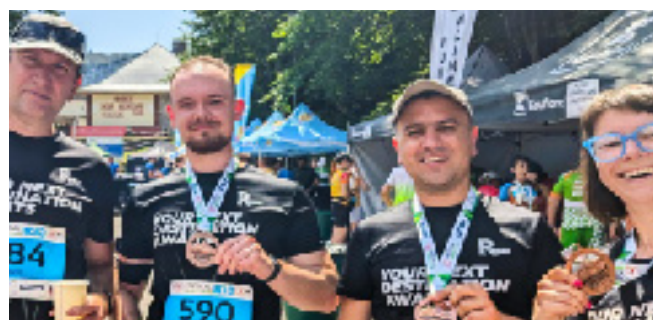
Responsibility in Action

Our corporate social responsibility work in 2024 emphasized local relevance, sustained engagement, and measurable reach. Activities spanned education access, healthcare awareness, community well-being, and environmental restoration, driven by employee participation and non-profit partnerships.

In education, we partnered with public institutions and NGOs to support school upgrades, classroom digitization, and scholarship programs. These efforts benefited students across India, Southeast Asia, and Eastern Europe. Several initiatives focused on improving digital readiness and STEM engagement in underrepresented groups.

Environmental projects included tree-planting drives, urban clean-up campaigns, and e-waste awareness sessions, with employee volunteers participating across delivery centers. These events were often organized in tandem with local authorities and community partners. Our commitment to health continued through blood donation camps, preventive care screenings, and marathon participation in several cities. Many of these efforts were employee-initiated and scaled with support from the CSR Committee.

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



Excellence & Recognitions

External recognition in 2024 highlights our growth and strong commitment to delivering quality, building trust with stakeholders, and ensuring excellent solutions.



Strategic Supplier of the Year
Chamberlain Group

'R Systems has partnered with Chamberlain's engineering team to scale across 10 disciplines in just 14 months. We truly appreciate the help of Nitesh Bansal and Pankaj Gupta and the entire R Systems team in building a highly capable engineering center for Chamberlain in India.'

Jeff Meredith,
Chamberlain Group CEO



**Top 10 AWS Partners
to Watch in 2024**
CIO Insights



Best Tech Brands 2024
Times Group



**Most Preferred Workplace in
IT & ITES 2023-2024**
Marksmen Daily



**Progressive Place
to Work 2024**
ET NOW



**India's Top 500
Value Creators**
Dun & Bradstreet

Everest Group PEAK Matrix® Assessments



Major Contender
Software Product
Engineering



Major Contender
ISV & Internet-specific
Engineering



Major Contender
Healthcare Provider
Digital Services

Great Place to Work® 2024

**Great
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To
Work®**

Certified

JAN 2024-JAN 2025
SG

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Certified

JAN 2024-JAN 2025
POLAND

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JAN 2024-JAN 2025
MALAYSIA

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JAN 2024-JAN 2025
MOLDOVA

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JAN 2024-JAN 2025
ROMANIA

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JAN 2024-JAN 2025
ID

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JAN 2024 - JAN 2025
CANADA

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FEB 2024-FEB 2025
USA

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JAN 2024-JAN 2025
THA

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JAN 2024-JAN 2025
INDIA

Corporate Information

(As at May 17, 2025)

Board of Directors

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

Key Managerial Personnel

- Mr. Nitesh Bansal**
(Managing Director & Chief Executive Officer)
- Mr. Nand Sardana**
Chief Financial Officer
- Mr. Bhasker Dubey**
Company Secretary & Compliance Officer

Audit Committee

- Mrs. Ruchica Gupta**
(Chairperson)
- Mr. Kapil Dhameja**
(Member)
- Mr. Amit Dalmia**
(Member)
- Mr. Aditya Wadhwa**
(Member)

Stakeholders Relationship Committee

- Mr. Amit Dalmia**
(Chairman)
- Mr. Kapil Dhameja**
(Member)
- Mr. Animesh Agrawal**
(Member)

Nomination, Remuneration & Compensation Committee

- Mr. Kapil Dhameja**
(Chairman)
- Mrs. Ruchica Gupta**
(Member)
- Mr. Mukesh Mehta**
(Member)

Risk Management Committee

- Mr. Amit Dalmia**
(Chairman)
- Mr. Kapil Dhameja**
(Member)
- Mr. Animesh Agrawal**
(Member)

Corporate Social Responsibility Committee

- Mr. Amit Dalmia**
(Chairman)
- Mr. Kapil Dhameja**
(Member)
- Mr. Animesh Agrawal**
(Member)

Management Committee

- Mrs. Ruchica Gupta**
(Chairperson)
- Mr. Nitesh Bansal**
(Member)
- Mr. Animesh Agrawal**
(Member)
- Mr. Nand Sardana**
(Member)

Registered Office

GF-1-A, 6, Devika Tower, Nehru Place, New Delhi – 110 019

Corporate Office

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

Statutory Auditors

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

Registrar and Share Transfer Agent

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

Bankers

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

Listed At

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

Subsidiaries of R Systems International Limited

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

Subsidiaries of R Systems Consulting Services Limited

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

Subsidiaries of R Systems Computaris International Limited

1. R Systems Computaris Europe S.R.L., Romania
2. R Systems Computaris Poland Sp Z O.O., Poland
3. R Systems Computaris S.R.L. Moldova
4. R Systems Computaris Malaysia Sdn. Bhd., Malaysia
5. R Systems Computaris Philippines Pte. Ltd. Inc., Philippines
6. R Systems Computaris Suisse Sarl, Switzerland

Subsidiary of R Systems (Singapore) Pte Limited

1. R Systems IBIZCS Pte. Ltd., Singapore

Subsidiaries of R Systems IBIZCS Pte. Ltd

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

Subsidiary of Velotio Technologies Private Limited

1. Scaleworx Technologies Private Limited, India

Director's Report

Dear Shareholders,

Your directors take great pleasure in presenting the Thirty First Annual Report on the business and operations of R Systems International Limited ("R Systems" or the "Company") together with the audited financial statements of accounts for the financial year ended December 31, 2024.

1. FINANCIAL RESULTS

Key aspects of the financial performance of your Company prepared as per the Indian Accounting Standards ("Ind AS") for the financial year ended December 31, 2024 are as under:

(₹ in Millions, except per equity share data)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Revenue from operations	9,114.40	9,038.87	17,417.27	16,845.18
Profit before depreciation, exceptional items and tax	2,113.84	2,421.83	2,568.75	2,549.30
Less: Depreciation and amortisation expense	226.91	239.95	653.73	544.04
Less: Share of net loss of associates accounted for using the equity method	-	-	-	5.04
Profit before tax	1,886.93	2,181.88	1,915.02	2,000.22
Less: Current tax	457.38	485.60	678.38	613.59
Less: Deferred tax (credit) / expense	(56.00)	(38.29)	(75.18)	(14.43)
Profit after tax	1,485.55	1,734.57	1,311.82	1,401.06
Other comprehensive income / (loss)	(1.48)	(4.61)	(5.76)	63.08
Total comprehensive income for the year	1,484.07	1,729.96	1,306.06	1,464.14
Statement of change in Retained Earnings				
Opening balance	4,704.66	3,779.16	5,386.98	4,796.39
Add: Profit for the current year	1,485.55	1,734.57	1,311.82	1,401.06
Less: Dividend paid	1,478.79	804.46	1,478.79	804.46
Add: Other comprehensive income / (loss) for the year	(1.48)	(4.61)	(9.29)	(6.01)
Closing balance	4,709.94	4,704.66	5,210.72	5,386.98
EPS-Basic	12.56	14.66	11.09	11.84
EPS-Diluted	11.99	14.66	10.59	11.84

2. RESULTS OF OPERATIONS

STANDALONE ACCOUNTS

- Total revenue from operations during the year 2024 was ₹ 9,114.40/- mn. as compared to ₹ 9,038.87/- mn. during the year 2023, an increase of 0.84%.
- Profit after tax was ₹ 1,485.55/- mn. during the year 2024 as compared to ₹ 1,734.57/- mn. during 2023, a decrease of 14.36%.
- Basic earnings per share (of face value of ₹ 1/- each) was ₹ 12.56/- for the year 2024 as compared to ₹ 14.66/- for the year 2023, a decrease of 14.32%.

CONSOLIDATED ACCOUNTS

- Total revenue operations during the year 2024 was ₹ 17,417.27/- mn. as compared to ₹ 16,845.18/- mn. during the year 2023, an increase of 3.40%.
- Profit after tax was ₹ 1,311.82 mn. during the year 2024 as compared to ₹ 1,401.06 mn. during the year 2023, a decrease of 6.37%.
- Basic earnings per share (of face value of ₹ 1/- each) was ₹ 11.09/- for the year 2024 as compared to ₹ 11.84/- for the year 2023, a decrease of 6.33%.

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

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

3. Appropriations and Reserves

Dividend

During the year 2024, the Board of Directors ("Board") declared two interim dividends namely, First Interim Dividend of ₹ 6.00 per equity share of ₹ 1/- each at its meeting held on March 19, 2024, Second Interim Dividend of ₹ 6.50 per equity share of ₹ 1/- each at its meeting held on November 08, 2024. Total interim dividends paid for the year 2024 aggregates to ₹ 12.50 per equity share of ₹ 1/- each, as compared to total dividend paid for the year 2023 at ₹ 6.80 per equity share of ₹ 1/- each. The Board has not recommend any final dividend for the financial year ended December 31, 2024.

Transfer to Reserves

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

4. Business & Outlook

R Systems is a leading digital product engineering company that designs and develops chip-to-cloud software products, platforms, and digital experiences that empower its clients to achieve higher revenues and operational efficiency. Our product mindset and engineering capabilities enable us to serve key players in the high-tech industry, including ISVs, SaaS, and internet companies, as well as product companies in telecom, media, finance, manufacturing, health, and public services verticals.

Our core offerings and services include digital product engineering, cloud and DevOps, data and AI, quality engineering, embedded and firmware, automation and digital ops, experience design (UX/CX), and modernization solutions.

Year 2024 marked a turning point in AI integration across our client base. As understanding matured, we saw implementation confidence replace initial caution, with our OptimaAI platform becoming instrumental in this transition. Our teams have designed GenAI and ML features for more than 40% of our existing customers, while GenAI tools now support the software development lifecycle in over 60% of our projects.

During the year, the Company launched the following solutions:

The EDI partner onboarding solution: This AI-powered solution leverages Boomi Integration, EDI, and Flow in combination with R Systems' expertise to democratize the partner onboarding process. Partner managers can seamlessly initiate and track onboarding activities.

OptimaAI – a GenAI suite for enterprises: A Generative AI suite of services, tools, industry-specific models, and frameworks purpose-built to enhance enterprise adoption of AI for software development and digital transformation.

Chaos engineering integrated DR model: Our Resilience Engineering model combines Chaos Engineering with DRaaS to enhance business continuity and resilience.

We executed a four-pillar cloud transformation that spans four critical domains - infrastructure migration services that have successfully transitioned over 1,000 infrastructure components, SaaS implementation capabilities allowing customers to leverage best-of-breed solutions, legacy modernization expertise that rejuvenates aging systems, and an integrated cloud-data-AI approach creating holistic solutions that deliver business intelligence from previously untapped data sources.

Across industries, our implementations showcase the power of AI in enhancing human experience for builders and users alike! For a leading healthcare provider, our AI-powered medical coding solution enhanced coding accuracy to over 95% while reducing processing time by 50%, supporting better clinical decision-making and optimizing revenue cycles. In the education sector, we developed an AI-driven quiz generation and grading system that reduced costs by 30% through lower manpower requirements while increasing student retention by 25% with engaging assessment features.

While acknowledging signs of global economic slowdown impacting demand, we persist in our commitment to investing in emerging technologies alongside strategic sales and marketing initiatives to drive innovation-led growth and ensure profitability amid prevailing challenges.

As we progress through 2025, companies that flourish will be those that leverage AI's capabilities while maintaining a human-centric focus. This means developing interfaces that feel intuitive and natural, automating processes that free people for more creative work, and ensuring technology serves human values. The balance of technical excellence with practical business outcomes remains central to our mission, helping clients navigate their cloud journey and transform technology investments into tangible competitive advantages. We will continue helping clients navigate AI implementation thoughtfully, balancing excitement with practicality through right-sized teams, appropriate skills, and proper infrastructure.

5. Recognition, Awards and Accolades

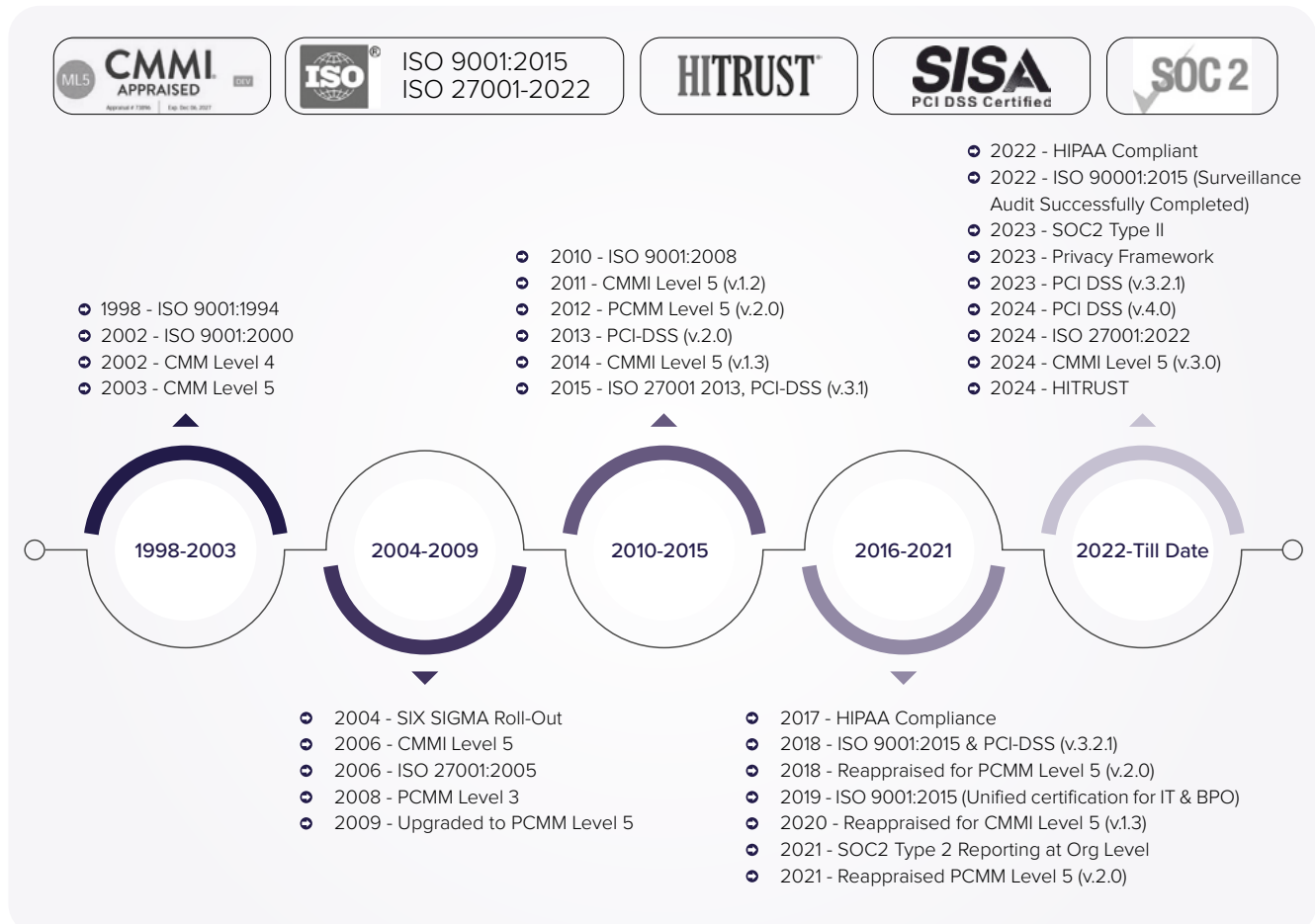
In recognition of our unwavering commitment to excellence, our organization received several prestigious awards in 2024, highlighting our achievements in innovation, sustainability, and customer satisfaction. The prominent recognitions and awards received during the year are listed below:

1. "Strategic Supplier of the Year" Award from our client, Chamberlain Group
2. Named among the *Top 10 Leading AWS Partners to Watch in 2024*
3. Recognized as one of the *Best Tech Brands 2024* by the Times Group

4. Featured in *India's Top 500 Value Creators 2024* by Dun & Bradstreet
5. Certified as a *Great Place To Work®* in all ten countries where it has a full-time workforce
6. Recognized as a Major Contender in Everest Group's **ISV and Internet-specific SPES PEAK Matrix® Assessment 2024**
7. Recognized as a *Major Contender* in Everest Group's **Software Product Engineering Services PEAK Matrix® Assessment 2024**
8. Recognized as a *Major Contender* in Everest Group's **Healthcare Provider Digital Services PEAK Matrix® Assessment 2024**

6. Quality Certifications

R Systems has consistently invested in processes, people, training, information systems, quality standards, frameworks, tools, and methodologies to mitigate the risks associated with project execution. The adoption of quality models and practices such as the Capability Maturity Model Integration (CMMI) and ISO standards has ensured that risks are identified and mitigated at various stages of the planning and execution process. Below is an overview of R Systems' journey with various quality standards/models:



During the year 2024, both the Noida IT Division and the Digital Operations Division underwent a recertification audit for ISO 27001 and an assessment for SOC 2 Type II. Additionally, the IT Division was successfully appraised at CMMI Level 5.

As of the date of this report, the Noida IT Division and the Digital Operations Division are certified for ISO 9001:2015, ISO 27001:2022, and HITRUST. Furthermore, the IT Division is appraised at CMMI Level 5 (version 3.0), and the Digital Operations Division is certified for PCI-DSS (version 4.0), covering IT infrastructure as well as the projects, processes, and applications within scope.

To maintain and strengthen its competitive advantages, R Systems continues to invest in enhancing its competencies in the latest technologies, enabling flawless execution and consistent delivery of state-of-the-art products and solutions for its customers.

R Systems security policy provides a framework for protecting confidentiality, integrity and ensuring availability of organization's information assets to the authorized persons to safeguard the interest of customer, business continuity and continual improvement of ISMS at R Systems. The security policy of R Systems has been designed to safeguard the risk associated with information security management.

7. Merger/Amalgamation

Subject to necessary approvals of Shareholders, Creditors, Stock Exchanges, Hon'ble National Company Law Tribunal or any other appropriate authority, the Board of Directors of the Company at its meeting held on September 11, 2024, has approved the composite scheme of amalgamation of Velotio Technologies Private Limited ("Velotio") and Scaleworx Technologies Private Limited ("Scaleworx") with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

Scaleworx is a wholly owned subsidiary of Velotio, which is a subsidiary of the Company. In accordance with the Scheme, Velotio and Scaleworx will be amalgamated into the Company and consequently will get dissolved without winding up and as a result equity shares of Velotio and Scaleworx will also get cancelled.

The Optionally Convertible Redeemable Preference Shares ("OCRPS") held by the OCRPS holders in Velotio shall also be cancelled and in consideration thereof, the Company shall issue OCRPS ("RSIL OCRPS") to them in accordance with the Swap Ratio as specified in the Scheme. Upon the completion of the tenure of RSIL OCRPS (as stated in the Scheme) and subject to the terms of RSIL OCRPS (as stated in the Scheme), RSIL OCRPS shall be converted into equity shares of the Company.

In compliance with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the National Stock Exchange of India Limited and the BSE Limited vide their letters dated February 28, 2025, have issued their Observation Letters, with no adverse observation / no objection to the Scheme.

The Company has filed an application to Hon'ble National Company Law Tribunal, New Delhi, seeking necessary directions, consents, approvals, and sanctions for the Scheme.

8. Change in the Corporate Office of the Company

The Company entered into an agreement to sell the land and building situated at Plot No. C-1 and C-40, Sector 59, Noida, Gautam Budh Nagar, Uttar Pradesh, on December 20, 2024, along with some assets (hereinafter referred to as the "Said Properties") for a consideration of ₹ 505,000,000/- (Rupees Fifty Crore and Fifty Lakh only).

Therefore, subsequent to the year ended December 31, 2024, the Board of Directors of the Company has shifted the Corporate office of the Company to 3rd Floor, Tower No.- 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector-Techzone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh, India, 201306.

9. Directors & Key Managerial Personnel (KMP)

There was no change in Directors and KMPs of the Company during the financial year ended on December 31, 2024, except that Mr. Mukesh Mehta was re-appointed as director liable to retire by rotation at the Annual General Meeting held on June 13, 2024.

In terms of Section 152 of the Companies Act, 2013 (hereinafter referred as the "Act"), Mr. Amit Dalmia, Non-Executive Director, being liable to retire by rotation, will retire at the ensuing Annual General Meeting ("AGM") and being eligible offers himself for reappointment. A brief profile of Mr. Amit Dalmia forms part of the notice of the ensuing AGM of the Company.

The Directors of R Systems have made necessary disclosures, as required under various provisions of the Act, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Hereinafter referred as "Listing Regulations").

None of directors of the Company is disqualified under the provisions of Section 164(2) of the Act. Based on the declarations submitted by the Independent Directors of the Company, the Board of Directors is of the opinion that all the Independent Directors of the Company meet the criteria specified under Section 149(6) of the Act and the Listing Regulations.

Further, the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

10. Changes in the Capital Structure

During the year under review, there was no change in the capital structure of the Company. The share capital structure of the Company is as follows:

		(Amount in ₹)	
Sr. No.	Particulars	As at January 01, 2024	As at December 31, 2024
1.	Authorised share capital:		
	206,000,000 equity shares of ₹ 1/- each	206,000,000	206,000,000
2.	Issued, subscribed and paid-up capital:		
	118,303,445 equity shares of ₹ 1/- each fully paid-up	118,303,445	118,303,445

Subsequent to year ended on December 31, 2024 and up to the date of this report, the Company had allotted 76,844 equity shares to the identified employees of the Company and/or Group Companies under the R Systems International Limited Management Incentive Plan 2023. Consequently, as on date of this report, issued, subscribed and paid up Capital of the Company is ₹ 118,380,289 (divided into 118,380,289 equity shares of ₹ 1/- each fully paid-up).

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

The particulars prescribed under Section 134(1)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, for the year ended December 31, 2024, are as follows:

A. Conservation of Energy

Although your Company does not have energy-intensive operations, every effort has been made to ensure optimal energy usage, avoid wastage, and conserve energy. R Systems continuously evaluates new technologies and makes appropriate investments to enhance energy efficiency. During the year ended December 31, 2024, R Systems adopted various energy conservation technologies and measures to reduce energy consumption. These included using energy-efficient equipment and devices, replacing existing CFL fittings with LED fittings to reduce power consumption, and conducting timely preventive maintenance of all major and minor equipment.

The air conditioning system uses energy-efficient compressors for central air conditioning and split air conditioning for localized areas. The Company has also converted its diesel generators to dual-fuel-based generators at one of its premises. Please refer to the Business Responsibility and Sustainability Report for details on energy consumption. R Systems is always in search of innovative and efficient energy conservation technologies and applies them prudently. Being in the software industry, the operations of the Company are not energy-intensive, and energy costs constitute a small portion of the total cost. Therefore, the financial impact of these measures is not material.

B. Technology absorption

1. Efforts made towards technology absorption

The Company has set up Centers of Excellence (CoEs) in specific digital technologies, including cloud, mobility, IoT, analytics, and RPA, to strengthen competencies and enhance offerings across focused verticals such as ISVs, telecom, healthcare, banking & insurance, and education services.

R Systems also established a Center of Excellence (CoE) on Applied AI for Sustainable Systems at IIT Delhi, featuring a cutting-edge research lab, an endowed faculty chair position, and merit-based student scholarships. This initiative underscores our strategic priority to promote innovation, enhance new-age skills, and develop deep tech capabilities.

Our hyperscaler focus has strengthened partnerships with AWS and Azure, and we are supported by dedicated relationship managers who ensure our technical teams maintain cutting-edge expertise. A cornerstone of our cloud success has been FinOps - our structured approach to optimizing cloud economics, which ensures clients receive maximum value from their investments while avoiding common pitfalls of uncontrolled cloud spending.

2. Benefits derived as a result of the above efforts

Our investment in digital technologies has enhanced our market reach and supported revenue growth. The results speak for themselves. For a US-based investment management firm, we implemented an AI-driven document intelligence system, achieving 92% accuracy in document classification and 85% precision in entity extraction, enabling real-time tagging of tax notices. For a leading European life sciences company, we developed a vision-based AI solution that accelerated vial counting by 80% with superior precision and recall, enabling real-time monitoring through interactive dashboards.

The transformation seen in our digital operations division exemplifies these benefits. When large language

models and AI-based assistants saw rapid adoption, many predicted they would erode traditional service lines. Instead, we experienced the opposite. The age of AI opened new doors for growth and innovation in digital product engineering and knowledge services.

3. Technology imported during the last 3 years

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

4. Expenditure incurred on Research and development

Driven by our core value of innovation, we believe that innovation is not just a practice but an essential component embedded within R Systems' organizational DNA. We operate in a digital world where digital transformation is a core focus area. R Systems partners with businesses to help them stay competitive and successful in today's rapidly changing environment.

During the year ended December 31, 2024, the Company invested in research and development across all leading digital technologies. Additionally, R Systems has strengthened its proprietary solutions and frameworks, optimizing integration with digital technologies.

C. Foreign Exchange Earnings and Outgo (Accrual Basis)

A significant percentage of R Systems' revenues are generated from exports. The development and service centre in Noida is registered with the Software Technology Park of India as 100% Export Oriented Undertaking. All efforts of the Company are focused on increasing software export business across various products and markets. We have made investments in sales and marketing activities to expand into growing markets.

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

(₹ in Million)

Particulars	Financial Year Ended	
	December 31, 2024	December 31, 2023
(a) Earnings (Accrual Basis)	9,098.43	9,391.35
(b) Expenditure (Accrual Basis)	1,006.77	925.69
(c) CIF value of imports	-	17.49

12. Subsidiaries

As on December 31, 2024, R Systems has twenty-seven subsidiaries. The name and country of incorporation of those subsidiaries are as follows:

Sr. No	Name of Subsidiary	Country of Incorporation
1.	R Systems, Inc.	USA
2.	RSYS Technologies Ltd.	Canada
3.	R Systems Technologies Limited	USA
4.	R Systems Computaris International Limited	UK
5.	R Systems Computaris Europe S.R.L. ¹	Romania
6.	R Systems Computaris Poland Sp. Z.O.O. ¹	Poland
7.	R Systems Computaris S.R.L. ¹	Moldova
8.	R Systems Computaris Malaysia Sdn. Bhd. ¹	Malaysia
9.	R Systems Computaris Philippines Pte. Ltd. Inc. ¹	Philippines
10.	R Systems Computaris Suisse Sarl ¹	Switzerland
11.	R Systems Consulting Services Limited ²	Singapore
12.	R Systems Consulting Services (M) Sdn. Bhd. ³	Malaysia
13.	R Systems Consulting Services (Thailand) Co., Ltd. ³	Thailand
14.	R Systems Consulting Services (Shanghai) Co., Ltd. ³	People's Republic of China
15.	R Systems Consulting Services (Hong Kong) Ltd. ³	Hong Kong
16.	R Systems Consulting Services Kabushiki Kaisha ³	Japan
17.	R Systems Consulting Services Company Limited ³	Vietnam
18.	R Systems (Singapore) Pte Limited	Singapore
19.	R Systems IBIZCS Pte Ltd., Singapore ⁴	Singapore
20.	R Systems IBIZ Sdn. Bhd. ⁵	Malaysia
21.	PT R Systems IBIZCS International ⁵	Indonesia
22.	IBIZ Consulting (Thailand) Co., Ltd. ⁵	Thailand
23.	IBIZ Consulting Service Limited (IBIZ HK) ⁵	Hong Kong
24.	IBIZ Consulting Service (Shanghai) Co., Ltd ⁶	People's Republic of China
25.	Velotio Technologies Private Limited	India
26.	Scaleworx Technologies Private Limited ⁷	India
27.	RSIL Mexico, S. de R.L. de C.V. ⁸	United Mexican States

¹ Subsidiaries of R Systems Computaris International Limited, UK

² The shareholding held by the Company and R Systems (Singapore) Pte Limited is 69.37% and 30.38%, respectively.

³ Wholly owned subsidiary of R Systems Consulting Services Limited, Singapore

⁴ Wholly owned subsidiary of R Systems (Singapore) Pte Limited, Singapore

⁵ Wholly owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore

⁶ Wholly owned subsidiary of IBIZ Consulting Services Limited - Hong Kong

⁷ Wholly owned subsidiary of Velotio Technologies Private Limited

⁸ Became wholly owned subsidiary w.e.f. October 09, 2024.

During the year under review, as per approval of Accounting and Corporate Regulatory Authority, Singapore, the name of IBIZ Consulting Services Pte Ltd., a step down wholly owned subsidiary of the Company in Singapore, has been stricken off from the register of Companies, Singapore, w.e.f. January 08, 2024. It may be noted that IBIZ Consulting Services Pte Ltd. was not a material subsidiary of the Company and did not impact materially on the business of the Company.

The Company has established a wholly owned subsidiary in the United Mexican States under the name and style of RSIL Mexico, S. de R.L. de C.V., on October 09, 2024

As on date of this report, all the subsidiaries of the Company, except Velotio Technologies Private Limited and Scaleworx Technologies Private Limited, have been incorporated and based outside India. In addition to providing services to various international clients, these subsidiaries also help generate revenues for R Systems.

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

During the year 2024, the Company has not made any Downstream Investment under regulation 23 of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019. A Certificate from Statutory Auditors of the Company, in compliance the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, would be available at the AGM for inspection by members.

During the year 2024, the Company had two material Subsidiaries, namely R Systems, Inc., USA and R Systems Computaris Europe S.R.L., Romania, both incorporated and based outside India.

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

Further, the audited annual accounts and related detailed information of our subsidiaries, wherever applicable, will be made available to shareholders seeking such information at any point in time. The annual accounts of the subsidiary companies will also be available for inspection by the shareholders at the Registered Office of R Systems

i.e. GF-1-A, 6, Devika Tower, Nehru Place, New Delhi-110019, Corporate Office of R Systems i.e. 3rd Floor, Tower No.- 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector-Techzone-IV, Greater Noida West, GautamBuddha Nagar, Uttar Pradesh, India, 201306 and the Registered Offices of the subsidiary companies concerned during business hours. The same will also be hosted on R Systems' website at www.rsystems.com.

13. Particulars of Employees

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed as **Annexure A** and forms part of this report. Further, as required under the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particulars of employees are set out in **Annexure B** and forms part of this report.

14. Employee Stock Options/ Restricted Stock Units (RSUs)

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

Therefore, to incentivize, reward, and motivate employees to contribute effectively towards the future growth and profitability of the Company, and to align them with the common objective of creating value for the Company, the members of the Company have approved the R Systems International Limited Management Incentive Plan 2023 ("Plan") through a resolution passed via postal ballot on November 15, 2023. There were 5,724,705 RSU(s) outstanding at the end of the year ended on December 31, 2024.

Disclosure as required under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the Company's website: <https://www.rsystems.com/investors-info/annual-reports/>

15. Directors' Responsibility Statement

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

- 1) in the preparation of the annual accounts for the financial year ended December 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- 2) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- 3) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the directors had prepared the annual accounts for the financial year ended December 31, 2024 on a going concern basis;
- 5) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- 6) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. Statutory Auditors and Audit Report

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

The Auditors have issued an unmodified opinion on the Financial Statements, both standalone and consolidated, for the financial year ended December 31, 2024. During the year 2024, the statutory auditors have not reported any matter under Section 143(12) of the Act. The said Auditors' Report(s) for the financial year ended December 31, 2024 on the financial statements of the Company forms part of the Annual Report.

17. Prevention and Prohibition of Sexual Harassment of Women at the Work Place

Respect for Human Rights is a fundamental value of R Systems. At R Systems, it is our desire to promote a healthy and congenial working environment irrespective of gender, caste, creed or social class of the employees. The Company has framed a policy on prevention of sexual harassment of women at workplace and has constituted an Internal

Complaints Committee ("ICC") under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which entertains the sexual harassment complaints made by any aggrieved women employees. During the year ended December 31, 2024, no case of sexual harassment was reported to ICC.

18. Corporate Governance

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

19. Customer Relations

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

20. Stakeholder's Relations

R Systems is inspired by its customers and its employees transform that inspiration and customers' needs into value for all stakeholders. We thank all R Systems employees worldwide for their hard work, commitment, dedication, and discipline, which enable the Company to fulfill its customer commitments and meet the needs of all its stakeholders. R Systems is certified as a Great Place To Work®, a testament to the Company's dedication to creating an inclusive and dynamic work environment across its global operations. This certification highlights the Company's commitment to building a culture that values trust, collaboration, and innovation. We also thank our shareholders for their continuous support and confidence in R Systems. We recognize our responsibility to provide full visibility of operations, corporate governance, and to create superior shareholder value, and we promise to continue fulfilling this responsibility.

21. Management discussion and analysis report

In accordance with the Listing Regulations, Management Discussion and Analysis Report is given as **Annexure E** to this report.

22. Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report of the Company for the financial year ended December 31, 2024

as required under the Listing Regulations forms part of this Report as **Annexure F**.

23. Secretarial Auditor and Secretarial Audit Report

M/s. DPV & Associates LLP, Company Secretaries, was appointed by the Board of Directors of the Company to carry out the Secretarial Audit under the provision of Section 204 of the Act for the financial year ended December 31, 2024. The Secretarial Audit report for financial year ended December 31, 2024 is enclosed as **Annexure G**.

As per the Secretarial Audit Report, there are no qualifications, reservations or adverse remark or disclaimer in the Secretarial Report.

Pursuant to the provisions of Regulation 24A of the Listing Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has approved and recommended the appointment of M/s. DPV & Associates LLP, Company Secretaries, (Firm Registration No. L2021HR009500 and Peer Review Certificate No. 6189/2024) as the Secretarial Auditors of the Company to hold office for a period of 5 consecutive years commencing from the conclusion of 31st AGM till the conclusion of the 36th AGM of the Company, for approval of the Members at ensuing AGM of the Company. M/s. DPV & Associates LLP, Company Secretaries will conduct the Secretarial Audit of the Company from the financial year ending December 31, 2025, to the financial year ending December 31, 2029. A brief profile and other details of M/s. DPV & Associates LLP, Company Secretaries, are separately disclosed in the Notice of ensuing AGM.

24. Vigil Mechanism/ Whistle Blower Policy

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

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

In accordance with Section 178 of the Act and other relevant provisions based and on the recommendation of the

Nomination, Remuneration and Compensation Committee, the Board has established a Criteria for selection of Directors and a policy for remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees. The Criteria for selection of candidates for Membership on the Board of Directors and the remuneration policy is available on the Company's website at <https://www.rsystems.com/investors-info/corporate-governance/policies/>

26. Meetings of the Board

The Board of Directors of the Company and its Committees meet at regular intervals to discuss, decide and supervise the various business policies, business strategy, Company's performance and other statutory matters. During the year under review, the Board met six times. The details of the meetings of the Board and its Committees are given in the Corporate Governance Report. The intervening gap between two Board Meetings did not exceed 120 days.

27. Committees of the Board

The Board of Directors of the Company has constituted the following Committees to focus on specific areas and take informed decisions in the best interests of the Company within authority delegated to each of the Committees:

- (a) Audit Committee
- (b) Nomination, Remuneration and Compensation Committee
- (c) Stakeholders' Relationship Committee
- (d) Corporate Social Responsibility Committee
- (e) Risk Management Committee
- (f) Management Committee

The details of composition of the aforesaid Committee(s), changes related thereof during the period under review, their terms of reference, meetings held and attendance of the Committee members during the financial year 2024 are provided in the Corporate Governance Report.

28. Audit committee

R Systems has a qualified and independent Audit Committee. The constitution of the Committee is in compliance with the provisions of the Act and the Listing Regulations. During the year, Mr. Aditya Wadhwa was appointed as member of Audit Committee w.e.f. June 06, 2024. Detailed description of the Audit Committee has been given in Corporate Governance Report. The terms of reference and role of the Audit Committee are as per the rules set out in the Listing Regulations and the Act and rules made thereunder and includes such other functions as may be assigned to it by the Board from time to time. The Audit Committee has adequate powers to play

an effective role as required under the provisions of the Act and Listing Regulations. During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Audit Committee.

29. Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, its committees and the individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

30. Particulars of Loans, Guarantees or Investments

The details of loan, guarantees and investments covered under Section 186 of the Act and Schedule V of the Listing Regulations are provided in the notes to accounts of the financial statements for the financial year ended December 31, 2024.

31. Related Party Disclosure

All related party transactions conducted during the year were in the ordinary course of business, at arm's length, and in compliance with the applicable provisions of the Act and Listing Regulations. There were no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel, or other designated individuals that could present a potential conflict of interest with the Company at large. All related party transactions were presented to the Audit Committee or the Board, as required, with omnibus approval obtained for transactions that are foreseeable and repetitive in nature.

A statement of all related party transactions is presented before the Audit Committee on quarterly basis. The policy on Related Party Transactions, as approved by the Board is uploaded on the Company's website at the web link <https://www.rsystems.com/corporate-governance/policies/>, details of particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act in form AOC-2 has been enclosed herewith as **Annexure H**.

32. Risk Management

In compliance with the Listing Regulations, the Board of Directors of the Company has established a Risk Management Committee to identify potential risks across various areas of operations. The committee comprises members of the Board of Directors. The Company has developed and implemented a comprehensive Risk Management Policy, including provisions for Cybersecurity, to identify, assess, and monitor key risks that could adversely affect the Company's objectives and goals. This policy is reviewed periodically by the Risk Management Committee.

33. Annual Return

The Annual Return of the Company as on December 31, 2024 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.rsystems.com/investors-info/annual-reports/>.

34. Corporate Social Responsibility

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

To fulfill the responsibilities entrusted to the CSR Committee, the Board has adopted a Corporate Social Responsibility Policy. The objective of CSR Policy at R Systems is to support our constant endeavour to bring about positive difference to communities where we exist. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build R Systems into an organization which maximizes Stakeholder Value. The CSR policy is available at the website of the Company at following link: <https://www.rsystems.com/corporate-governance/policies/>.

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

35. Dividend Distribution Policy

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

36. Internal Control System and Internal Financial Controls

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

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, the statutory auditors of the Company, has audited the financial statements for the financial year ended December 31, 2024 and has issued unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

37. Other Disclosures

During the financial year under review:

- the Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.
- the Company has neither invited nor accepted any deposits from the public within the purview of the Act and the Rules made thereunder, and accordingly no amount on account of principal or interest on public deposits was outstanding as on December 31, 2024.
- the Company has not issued shares with differential voting rights and sweat equity shares.
- no disclosure is required under Section 67 (3) (c) of the Act in respect of voting rights not exercised directly by employees of the Company, as the provisions of the said section are not applicable.
- the Company is not required to maintain Cost records under Section 148(1) of the Act.

- no significant or material orders were passed by the regulators or courts or tribunals which could impact the going concern status of the Company and its future operations.
- no material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company except as mentioned in this report elsewhere.
- There are no applications or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year and the Company has also not done any one-time settlement with any Bank or Financial Institution in India or abroad.

38. Acknowledgments

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

On behalf of the Board
For **R Systems International Limited**

Ruchica Gupta
(DIN: 06912329)
(Chairperson & Non-Executive Independent Director)
Place: Delhi
Date: May 08, 2025

Nitesh Bansal
(DIN: 10170738)
(Managing Director & Chief Executive Officer)
Place: Frisco TX, USA
Date: May 08, 2025

Annexure 'A' to the Directors' Report

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

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

Sr. No	Name of Director	Category	Ratio of the remuneration to the median remuneration of the employees
1.	Mrs. Ruchica Gupta	Chairperson and Non-Executive Independent Director	NA ¹
2.	Mr. Nitesh Bansal	Managing Director and Chief Executive Officer	51.94
3.	Mr. Mukesh Mehta	Non-Executive Director	NA ¹
4.	Mr. Amit Dalmia	Non-Executive Director	NA ¹
5.	Mr. Animesh Agrawal	Non-Executive Director	NA ¹
6.	Mr. Kapil Dhameja	Non-Executive Independent Director	NA ¹
7.	Mr. Aditya Wadhwa	Non-Executive Independent Director	NA ¹

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

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

Sr. No	Name of Director /CFO/CEO/CS/ Manager	Category	% increase in remuneration in the financial year
1.	Mrs. Ruchica Gupta	Chairperson and Non-Executive Independent Director	NA ¹
2.	Mr. Nitesh Bansal	Managing Director and Chief Executive Officer	(6.93%)
3.	Mr. Mukesh Mehta	Non-Executive Director	NA ¹
4.	Mr. Amit Dalmia	Non-Executive Director	NA ¹
5.	Mr. Animesh Agrawal	Non-Executive Director	NA ¹
6.	Mr. Kapil Dhameja	Non-Executive Independent Director	NA ¹
7.	Mr. Aditya Wadhwa	Non-Executive Independent Director	NA ¹
8.	Mr. Nand Sardana	Chief Financial Officer	21.56%
9.	Mr. Bhasker Dubey	Company Secretary & Compliance Officer	16.47%

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

²Mr. Bansal was appointed as Managing Director and Chief Executive Officer of the Company effective May 30, 2023. The Percentage change in remuneration has been calculated by annualizing the remuneration paid for the year 2023 excluding one-time sign-on bonus of ₹ 24,721,815/-.

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

The percentage increase in the median remuneration of the employees in the financial year was 0.89%.

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

Number of permanent employees on the rolls of R Systems International Limited as at December 31, 2024 was 2,933 (on Standalone basis).

Annexure 'A' to the Directors' Report

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

Average increase in remuneration for employees is 5% to 10% (approx.). The average increase in overall managerial remuneration is 11.31%. These increases are a function of the Company's market competitiveness within its comparator group and reflects the Company's reward philosophy as well as the result of the benchmarking exercise.

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

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

On behalf of the Board

For **R Systems International Limited**

Ruchica Gupta

(DIN: 06912329)

(Chairperson & Non-Executive Independent Director)

Place: Delhi

Date: May 08, 2025

Nitesh Bansal

(DIN: 10170738)

(Managing Director & Chief Executive Officer)

Place: Frisco TX, USA

Date: May 08, 2025

Annexure 'B' to the Directors' Report

Information as per 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended December 31, 2024.

Name of top 10 employees and employees drawing a remuneration of ₹ 1.02 crore or above per annum or drawing average remuneration of ₹ 8.5 lakhs or above per month

a. Employed throughout the year

Sr. No	Name	Designation / Nature of Duties	Qualification	Age (Years)	Date of Joining	Experience (Years)	Gross Remuneration (₹)	Previous Employment & Designation
1	Avirag Jain	EVP and Chief Technology Officer	Graduate in Science and an MBA in Finance and International business and Postgraduate diploma in Cyber Law	58	September 15, 1997	35	15,927,618	Modi Olivetti-Project Manager
2	Nand Sardana	Chief Financial Officer	FCA, FCS, ACMA, CPA-USA and L.L.B.	58	September 13, 2011	35	15,455,869	Gujrat Hydrocarbons & Power SEZ Ltd.- Head Corporate & Company Secretary
3	Nitesh Bansal*	Managing Director & Chief Executive Officer	Chartered Accountant and has pursued executive and leadership courses at INSEAD and Stanford Graduate School of Business.	48	May 30 2023	26	89,578,057	HTC Global Services - President and COO

*Employed at USA Branch of the Company. The remuneration in USD has been converted into INR using USD / INR exchange rates.

b. Employed part of the year

Sr. No	Name	Designation / Nature of Duties	Qualification	Age (Years)	Date of Joining	Experience (Years)	Gross Remuneration (₹)	Previous Employment & Designation
1	Sanjay Sahay	Chief Marketing Officer	MBA from IIT Dhanbad, Gold Medalist	52	April 8, 2024	25	7,885,985	Infosys Limited - Vice President and Global Head - Digital Marketing, Marketing Automation & Operations
2	Satyadeep Mishra	Chief Human Resource Officer	PGDM from Xavier Institute of Management	50	August 20, 2024	25	8,104,655	CleverTap Private Limited - Chief Human Resources Officer
3	Shardul Sangal	Senior Vice President -Global Delivery	Bachelor of Engineering from Motilal Nehru National Institute of Technology	51	October 10, 2024	30	2,873,484	Infogain India Pvt Limited - SVP, Global Delivery & Operations Leader

Notes:

- Nature of employment is full time employment in all the above cases.
- Particulars of employees posted and working outside India, not being directors or their relatives, drawing more than Sixty Lakh Rupees per Financial Year or Rupees Five Lakh per month, as the case may be, have not been included in the above statement. Any shareholder interested in obtaining full statement may write to the Company Secretary.
- None of the employees own more than 2% of the outstanding equity shares of the Company as on December 31, 2024.

On behalf of the Board

For **R Systems International Limited**

Ruchica Gupta

(DIN: 06912329)

(Chairperson & Non-Executive Independent Director)

Place: Delhi

Date: May 08, 2025

Nitesh Bansal

(DIN: 10170738)

(Managing Director & Chief Executive Officer)

Place: Frisco TX, USA

Date: May 08, 2025

Annexure 'C' to the Directors' Report

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

R Systems International Limited ("R Systems" or the "Company" unless context otherwise provided) is committed to conduct its business in compliance with the applicable laws, rules and regulations and with the highest standards of business ethics. We, at R Systems, believe that good Corporate Governance is a key contributor to sustainable corporate growth and creating superior value for our stakeholders. It is primarily concerned with transparency, accountability, fairness, professionalism, social responsiveness, complete disclosure of material facts and independence of Board. R Systems endeavours its best to constantly comply with these aspects in letter and spirit, in addition to the statutory compliances as required under the Companies Act, 2013 (the "Act") and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other statutory applicable Laws and Regulations.

2. Board of Directors

The Board of Directors ("Board") determines the purpose and values of the Company. The primary role of the Board is that of trusteeship so as to protect and enhance stakeholders' value through the strategic supervision of the Company and its subsidiaries. The Company is headed by a Board that exercises leadership, integrity and judgment in directing so as to achieve continuing prosperity and to act in the best interest of the Company. The Board is entrusted with the ultimate responsibility of the management, general affairs direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

2.1 Board Structure

R Systems has an optimum combination of Executive, Non-Executive and Independent Directors on its Board.

As at financial year ended December 31, 2024, the Board comprised of seven directors, i.e. three Non-Executive Directors, One Managing Director & Chief Executive Officer (MD & CEO) and three Non-Executive Independent Directors including one Woman Independent Director who is also the Chairperson of the Board.

Except the Managing Director & Chief Executive Officer and the Independent Directors, other directors are liable to retire by rotation as per Articles of Association of the Company and the provisions of the Act.

In terms of Section 152 of the Act, Mr. Amit Dalmia, Non-Executive Director, being liable to retire by rotation, shall retire at the ensuing Annual General Meeting ("AGM") and being eligible for reappointment, offers himself for reappointment. The brief profile of Mr. Amit Dalmia forms part of the notice of the ensuing AGM of the Company.

In the opinion of the Board, Independent Directors of the Company fulfil the conditions specified in the Act and Listing Regulations and are independent from the management of the Company. As of December 31, 2024, none of the Non-Executive Directors or Independent Directors of the Company holds any shares, options or any other convertible instruments in the Company. As required under the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have been registered in the Independent Directors Databank.

The Composition of the Board of the Company has been in compliance with Regulation 17 of the Listing Regulations during the year ended December 31, 2024. It is further confirmed that none of the directors is debarred or disqualified from being appointed or continuing as a director of the Company by the Ministry of Corporate Affairs or the Securities and Exchange Board of India or any other Statutory Authority. As on the financial year ended on December 31, 2024, there is no relationship between directors inter-se except that Mr. Mukesh Mehta, Mr. Amit Dalmia and Mr. Animesh Agrawal are associated with Blackstone Group.

2.2 Board Functioning & Procedures

The Board meets at least once a quarter to review the quarterly performance, financial results and other business matters through video conference/ physical participation. The notice, agenda, along with the explanatory notes are sent to all the Board members well in advance of the date of Board meeting to enable the Board to take informed decisions. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairperson of the meeting.

The Chief Financial Officer is invited to the Board meetings to provide financial insights, status of internal controls in the working of the Company and for discussing corporate strategies. All material information is circulated to the directors before the meeting or is placed at the meeting, including minimum information as required to be made

available to the Board under Listing Regulations, which the Board considers and takes on record. During the period under review, the Board has accepted all the recommendations of the Committees.

The minutes of the Board meetings and Committee meetings are circulated to all directors and committee members, respectively, in compliance with the Secretarial Standard-1 issued by the Institute of Company Secretaries of India (ICSI) for their review, consideration and records. The necessary quorum was present at all meetings. The gap between any two consecutive Board meetings did not exceed one hundred and twenty days. The Board periodically reviews compliance reports in respect of laws and regulations applicable to the Company.

During the year under review, the Board of Directors met six times on February 15, 2024, March 19, 2024, May 02, 2024, August 07, 2024, September 11, 2024 and November 08, 2024.

Composition, Category of Directors, attendance of each Director at the Board Meetings and the last Annual General Meeting, number of other Board of Directors or Committees in which a Director is a member or chairperson, name of the other listed companies, where such director is a Director and Category of Directorship is as follows:

Name of the Director	Category of Director	No. of Board Meetings attended in financial year ended December 31, 2024	Directorships held of Other Companies as at December 31, 2024		Committee position held in Companies as at December 31, 2024		Attendance at the last AGM on June 13, 2024	Other listed companies where the Director is appointed and Category as at December 31, 2024
			Indian Companies ¹	Body Corporates ²	Member ³	Chair Person ³		
Mrs. Ruchica Gupta (DIN-06912329)	Chairperson & Non- Executive Independent Director	6	2	1	2	2	Yes	-
Mr. Nitesh Bansal (DIN-10170738)	Executive Director (Managing Director & Chief Executive Officer)	6	1	1	-	-	Yes	-
Mr. Mukesh Mehta (DIN: 08319159)	Non-Executive Director	3	4	4	-	-	Yes	1. Aadhar Housing Finance Limited: Non-Executive Director (Nominee) 2. International Gemmological Institute (India) Limited: Non-Executive Director (Nominee)
Mr. Amit Dalmia (DIN-05313886)	Non-Executive Director	6	2	3	4	1	Yes	Mphasis Limited: Non-Executive Director
Mr. Animesh Agrawal (DIN-08538625)	Non-Executive Director	4	2	-	3	1	Yes	EPL Limited: Non-Executive Director
Mr. Kapil Dhameja (DIN-02889310)	Non- Executive Independent Director	5	2	-	3	0	Yes	-
Mr. Aditya Wadhwa (DIN-07556408)	Non- Executive Independent Director	6	-	-	1	-	Yes	-

1. Includes directorship in Private Companies and Public Companies excluding R Systems.

2. Foreign Corporates that are incorporated and having place of business outside India and Limited Liability Partnership incorporated in India.

3. In accordance with Regulation 26 of the Listing Regulations, Membership/Chairmanship of Audit Committees and Stakeholders' Relationship Committees only in all public limited companies have been considered as at December 31, 2024 including R Systems. Committee memberships include Committee chairmanships.

Annexure 'C' to the Directors' Report

2.3 Code of Conduct

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

The Company has obtained confirmations for the compliance with the said code from all its Board members and senior management personnel for the year ended December 31, 2024. A declaration to this effect given by Mr. Nitesh Bansal, Managing Director and Chief Executive Officer of the Company, is reproduced below:

CODE OF CONDUCT DECLARATION

I, Nitesh Bansal, Managing Director and Chief Executive Officer of R Systems International Limited, to the best of my knowledge and belief, hereby declare that all the Board members and senior management personnel have affirmed compliance with the Company's Code of Conduct for the year ended December 31, 2024.

Nitesh Bansal

Place: Frisco TX, USA (Managing Director &
Date: February 13, 2025 Chief Executive Officer)

2.4 Core skills/ expertise/ competencies of the Board

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board has identified following skills/ expertise/ competencies fundamental for the effective functioning of the Company:

1. Management and Leadership Skill	: Management and leadership experience in practical understanding in business development, processes, strategic planning, risk management etc.
2. Information Technology	: Knowledge or experience in information technology business with an ability to foresee technological trends and emerging areas of technology such as digital, artificial intelligence, cloud and cyber security.
3. Strategy and Planning	: Strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
4. Functional and managerial experience	: Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, human resources, Indian laws, international markets, sales and marketing, and risk management.
5. Governance and Compliance	: Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability and driving corporate ethics and values.

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

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

Note: Above skills/ competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/ experience listed therein.

2.5 Familiarization to Independent Directors

The Company follows a structured orientation and training programme for the Independent Directors to understand and get updated on the business and operations of the Company on continuous basis. The Board has adopted a structured policy for training of Independent Directors which shall inter-alia provide:

- nature of the industry in which the Company operates;
- business model of the Company;
- roles, rights, responsibilities of independent directors;

As part of ongoing training, the Managing Director, CFO, Business and functional heads of the Company meet with the Independent Directors to brief them on the various aspects on business and operational performance, Functional Excellence, Risk Assessment, Economy and Business Trends, updations on Statutory Regime etc.

The details of the Familiarization Programmes are available on the website of the Company at the following link: <https://www.rsystems.com/familiarization-programme-conducted/>. The Company believes that the Board is continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole.

2.6 Separate Meeting of Independent Directors

The Company has three independent directors. During the year under review, the independent Directors have met twice on September 11, 2024 and December 23, 2024. Details of the attendance at the two meetings held during the financial year 2024 are as follows:

Name of the Independent Director	No. of meetings held	No. of meetings attended
Mrs. Ruchica Gupta	2	2
Mr. Kapil Dhameja	2	2
Mr. Aditya Wadhwa	2	1

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

2.7 Performance Evaluation

In terms of the provisions of the Act, Listing Regulations and as per the recommendation of the Nomination, Remuneration and Compensation Committee, the Board has adopted a formal mechanism for evaluating its performance, as well as that of its committees and individual director. The exercise was carried out annually through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & Committees, experience

& competencies, leadership attribute of the directors through vision and values, strategic thinking & decision making, commercial and business acumen, contribution to resolution of divergent views, proactive participation, time commitment, teamwork skills and adequacy of business strategy.

3. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL, KEY MANAGERIAL PERSONNEL

Details of Senior Management Personnel ("SMP") and Key Managerial Personnel ("KMP") as at December 31, 2024 as defined under Listing Regulations are as follows:

Sr.	Name	Designation
Senior Management Personnel (SMP)		
1.	Mr. Avirag Jain	Chief Technology Officer & Executive Vice President
2.	Mr. Mandeep Singh Sodhi ^{Note 1}	Chief Operating Officer
3.	Mr. Arun Raghavapudi	Chief Customer Officer
4.	Mr. Sanjay Sahay	Chief Marketing Officer
5.	Mr. Satyadeep Mishra	Chief Human Resource Officer
6.	Mr. Shardul Sangal	Senior Vice President - Global Delivery
7.	Mr. Ashok Chawla	Senior Vice President - Global Delivery
Key Management Personnel		
1.	Mr. Nitesh Bansal	Managing Director & Chief Executive Officer
2.	Mr. Nand Sardana	Chief Financial Officer
3.	Mr. Bhasker Dubey	Company Secretary & Compliance Officer

During the year, following changes took place in Senior Management of the Company:

- Mr. Arun Raghavapudi joined the Company as Chief Customer Officer of the Company w.e.f January 10, 2024.
- Mr. Sanjay Sahay joined the Company as Chief Marketing Officer w.e.f. April 08, 2024.
- Mr. Satyadeep Mishra joined the Company as Chief Human Resources Officer w.e.f. August 20, 2024.
- Mr. Shardul Sangal joined the Company as Senior Vice President - Global Delivery w.e.f. October 10, 2024.
- Mr. Ashok Chawla has joined the Company as Senior Vice President - Global Delivery w.e.f. December 30, 2024.

Note 1: Subsequent to the year ended December 31, 2024, Mr. Mandeep Sodhi has resigned as Chief Operating Officer of the Company, effective from the close of business hours on April 01, 2025.

Annexure 'C' to the Directors' Report

4. BOARD COMMITTEES

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

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

4.1. Audit Committee

R Systems has a qualified and Independent Audit Committee. During the year, the Audit Committee met five times on February 15, 2024, May 02, 2024, August 07, 2024, September 11, 2024 and November 08, 2024.

Composition of Audit Committee and details of the attendance at the five Audit Committee meetings held during the financial year 2024:

Name of Member	Category	Position	No. of meetings held	No. of meetings attended
Mrs. Ruchica Gupta	Non-Executive Independent Director	Chairperson	5	5
Mr. Amit Dalmia	Non-Executive Director	Member	5	5
Mr. Kapil Dhameja	Non-Executive Independent Director	Member	5	5
Mr. Aditya Wadhwa ¹	Non-Executive Independent Director	Member	3	3

¹Mr. Aditya Wadhwa was appointed as member of Audit Committee w.e.f. June 06, 2024. Three meetings of the Audit Committee were held after the date of his appointment.

The Audit Committee invites such executives of the Company as it considers appropriate to be present at its meetings. The representatives of the Statutory Auditors and Internal Auditors are also invited to the Audit Committee meetings. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

Powers of the Audit Committee

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

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

Terms of reference of the Audit Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, if any, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. To review the utilization of loans and/ or advances from/ investment by the Company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
21. To review "Internal Controls to prevent Insider Trading" and shall review compliances with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
22. To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
23. To carry any other duties as may be required under the SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder and delegated by the Board of Directors from time to time.

4.2 Nomination, Remuneration and Compensation Committee

During the year under review, there was no change in the composition of the Nomination, Remuneration and Compensation Committee ("NRCC"). In compliance with the provisions of Section 178 of the Act and the rules made thereunder and Regulation 19 of Listing Regulations, NRCC consists only of Non-Executive/ Independent Directors with the Independent Director being the Chairman of the Committee.

During the year, NRCC met three times on January 17, 2024, February 15, 2024 and August 07, 2024.

Composition of NRCC and details of the attendance at the three meetings held during the financial year 2024 are as follows:

Name of Member	Category	Position	No. of meetings held	No. of meetings attended
Mr. Kapil Dhameja	Non-Executive Independent Director	Chairman	3	3
Mr. Mukesh Mehta	Non-Executive Director	Member	3	2
Mrs. Ruchica Gupta	Non-Executive Independent Director	Member	3	3

Annexure 'C' to the Directors' Report

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

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel, senior management personnel and other employees. For every appointment of an independent director, the Nomination, Remuneration and Compensation Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. uses the services of an external agencies, if required,
 - b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. considers the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Recommend to the board, all remuneration, in whatever form, payable to senior management;
7. Recommend to the board, the incentive compensation plan and equity based plan;
8. Formulation, implementation and administration of all the stock option plans;
9. Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors;
10. To carry any other duties as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder or as may be delegated by the Board of Directors from time to time.

Remuneration Policy and its salient features

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

The Nomination and Remuneration Policy for Directors, Key Managerial Personnel, Senior Managerial Personnel and other employees of the Company is available on our website, at <https://www.rsystems.com/investors-info/corporate-governance/policies/>. The salient points of the remuneration policy for the directors and executives are given below:

a) *Executive Directors' Remuneration*

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

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

b) *Remuneration for Non-Executive Directors*

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

c) *Key Managerial Personnel, Senior Management Personnel and other employees*

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

The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget

achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.

Brief terms of employment and details of remuneration paid to the executive director during the year ended December 31, 2024

(Amount in ₹)

Sr. No.	Particulars	Mr. Nitesh Bansal
a)	Salary, benefits and allowances (fixed)	44,989,450
b)	Bonus / incentives / variable pay	44,471,796
c)	Provident fund/ Retiral benefits	116,811*
d)	Pension	As per Employment Agreement dated May 30, 2023
e)	Shareholding in R Systems as on December 31, 2024	Nil

*Contribution to 401K Plan.

Note: 1. The term of appointment of Mr. Nitesh Bansal as Managing Director and Chief Executive Officer is for five years w.e.f. May 30, 2023. The details of service contracts, notice period and severance fees etc. are

governed by the Employment Agreement executed with Mr. Nitesh Bansal on May 30, 2023.

2. On January 17, 2024, NRCC granted 2,841,546 Restricted Stock Units (RSUs) to Mr. Nitesh Bansal under the R Systems International Limited Management Incentive Plan 2023 ("Plan"). RSUs will vest subject to performance-based conditions as per the provisions of the Plan and the grant letter. The exercise price of the RSUs shall be the face value of the equity shares i.e. ₹ 1/- each.

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

Criteria and details of payment of remuneration to the non-executive directors during the year ended December 31, 2024

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

The sitting fees paid to the Non-Executive Directors and Independent Directors during the year ended December 31, 2024 is as follows:

(Amount in ₹)

Sr. No.	Name of the Director	Category of Director	Sitting Fees Paid
a)	Mrs. Ruchica Gupta	Non-Executive Independent Director	385,000
b)	Mr. Mukesh Mehta	Non-Executive Director	-
c)	Mr. Amit Dalmia	Non-Executive Director	-
d)	Mr. Animesh Agrawal	Non-Executive Director	-
e)	Mr. Kapil Dhameja	Non-Executive Independent Director	350,000
f)	Mr. Aditya Wadhwa	Non-Executive Independent Director	350,000
Total			1,085,000

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

4.3 Stakeholders' Relationship Committee:

As on December 31, 2024, the Stakeholders' Relationship Committee of R Systems comprised of three members with Non-Executive Director as its Chairman as per the provisions of Section 178 of the Act and the rules made thereunder and Regulation 20 of the Listing Regulations. Stakeholders' Relationship Committee looks into various aspects of interest of shareholders. During the year, the Stakeholders' Relationship Committee met on February 15, 2024.

Composition of Stakeholders' Relationship Committee and details of the attendance at one meeting of Stakeholders' Relationship Committee held during the financial year 2024 are as follows:

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

Annexure 'C' to the Directors' Report

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

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.
5. To carry any other duties as may be required under the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 and Companies Act, 2013 and rules made thereunder and delegated by the Board of Directors from time to time.

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

Mr. Bhasker Dubey

Company Secretary & Compliance Officer

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

Tel No.: 0120 - 430 3500

Email: investors@rsystems.com

Shareholders grievances/ complaints received and resolved during the year:

- (i) Number of shareholders' complaints received during the year ended December 31, 2024: 6
- (ii) Number of complaints not resolved to the satisfaction of shareholders: Nil
- (iii) Number of pending complaints: Nil

4.4 Corporate Social Responsibility Committee

At R Systems, it has been our constant endeavour to bring about a positive difference to communities where we exist. Corporate Social Responsibility ("CSR") is deeply rooted in our core values. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build an organization which maximizes Stakeholder Value. Policy on Corporate Social Responsibility of the Company is available at the website of the Company at following link: <https://www.rsystems.com/investors-info/corporate-governance/policies/>. CSR for us is not merely the means to run our business successfully but the part of our individual responsibilities as global citizens. During the year, the CSR Committee met twice on February 15, 2024 and May 02, 2024.

Composition of CSR Committee and details of the attendance at the meetings of CSR Committee held during the financial year 2024 are as follows:

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

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

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

4.5 Risk Management Committee

Risk Management is a dynamic process which should constantly be able to identify all the emerging risks and propose solutions to manage them. The Risk Management Committee was constituted by the Board for designing, implementing, monitoring, reviewing and continually improving risk management of the Company. During the year, the Risk Management Committee met two times on February 05, 2024, and July 11, 2024.

Composition of Risk Management Committee and details of the attendance at the two meetings of Risk Management Committee held during the financial year 2024 are as follows:

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

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

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

4.6 Management Committee

In order to enhance effective Board functionality and more efficient time utilization, the Board of Directors of the Company has constituted the Management Committee to transact certain business matters, as delegated by the Board. During the year, the Management Committee met twice on February 15, 2024 and August 07, 2024.

Composition of the Management Committee and details of the attendance at the meetings of Management Committee held during the financial year 2024 are as follows:

Name of the Member	Category	Position	No. of meetings held	No. of meetings attended
Mrs. Ruchica Gupta	Non-Executive Independent Director	Chairperson	2	2
Mr. Nitesh Bansal	Managing Director and Chief Executive Officer	Member	2	2
Mr. Animesh Agrawal	Non-Executive Director	Member	2	1
Mr. Nand Sardana	Chief Financial Officer	Member	2	2

Annexure 'C' to the Directors' Report

5. Subsidiary Companies

As at December 31, 2024, the Company has twenty-seven subsidiaries including step down subsidiaries.

During the year under review, as per approval of Accounting and Corporate Regulatory Authority, Singapore, the name of IBIZ Consulting Services Pte Ltd., a step down wholly owned subsidiary of the Company in Singapore, has been stricken off from the register of Companies, Singapore, w.e.f. January 08, 2024.

It may be noted that IBIZ Consulting Services Pte Ltd. was not a material subsidiary of the Company and did not impact materially on the business of the Company.

The Company established a subsidiary in United Mexican States under name and style, RSIL Mexico, S. de R.L. de C.V. on October 9, 2024.

Subject to necessary approvals of Shareholders, Creditors, Stock Exchanges, National Company Law Tribunal or any other appropriate authority, the Board of Directors of the Company at its meeting held on September 11, 2024, has approved the composite scheme of amalgamation of Velotio Technologies Private Limited ("Velotio") and

Scaleworx Technologies Private Limited ("Scaleworx") with the Company under Section 230-232 and other applicable provisions of the Act ("Scheme"). Velotio and Scaleworx are the subsidiaries of the Company.

In compliance with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, National Stock Exchange of India Limited and BSE Limited vide their letters dated February 28, 2025, have issued their Observation Letters, with no adverse observation/no objection to the Scheme.

The Company has filed an application to Hon'ble National Company Law Tribunal, New Delhi for seeking necessary directions, consents, approvals and sanctions for the Scheme.

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

Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Auditors	Date of appointment of Auditors
R Systems, Inc.,	March 09, 1993*	California, USA	Deloitte Haskins & Sells LLP, Chartered Accountants	February 15, 2024
R Systems Computaris Europe S.R.L.	November 06, 2001**	Romania	BDO Audit S.R.L.	March 01, 2024

*Subsidiary of the Company since January 2, 2001.

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

Both the material subsidiaries are incorporated and based outside India.

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

In terms of the provisions of Listing Regulations, the policy for determining Material Subsidiary and such policy is available on the Company's website at the link <https://www.rsystems.com/corporate-governance/policies/>.

6. General Body Meetings

i. Details for the last three Annual General Meetings ("AGM"):

AGM Date & Time	Venue	Special Resolutions Passed
28 th AGM June 20, 2022 at 09:30 A.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> Revision in the terms of payment of remuneration to Lt. Gen. Baldev Singh (Retd.), President and Senior Executive Director of the Company. Revision in the terms of payment of remuneration to Mr. Avirag Jain, Director & Chief Technology Officer of the Company.
29 th AGM June 21, 2023 at 09:30 A.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Ratify the period of extension of the tenure of Lt. Gen. Baldev Singh (Retd.), President & Sr. Executive Director of the Company.
30 th AGM June 13, 2024 at 09:30 A.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	No Special Resolution was passed.

- ii. No Extra-Ordinary General Meeting of the Company was held during the last three years.
- iii. During the year under review, the Company has not passed any resolutions through Postal Ballot by way of Special Resolution. However, subsequent the year ended December 31, 2024, the Shareholders of the Company have passed a Special Resolution for adoption of new set of Articles of Association of the Company through Postal Ballot on January 27, 2025.

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

The Company appointed Mr. Devesh Kumar Vasisht of DPV & Associates LLP, Company Secretaries (Firm Registration No.: L2021HR009500) as scrutinizer ("Scrutinizer") for conducting the aforesaid postal ballots and e-voting process in a fair and transparent manner.

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

7. Disclosures

7.1 Related Party Transactions

Related Party Transactions are defined as transfer of resources, services or obligations between the company, its subsidiaries and their related parties, regardless of whether a price is charged. As per Listing Regulations, there have been no materially significant related party transactions with Company's subsidiaries, promoters, directors or the management or their relatives or companies controlled by them etc., which may have conflict with the interest of the Company at large. Details on Related Party Transactions are shown in note number 35 in the standalone and consolidated financial statements for the financial year ended December 31, 2024.

The Policy on the Material Subsidiary is available on the website of the Company at the following link: <https://www.rsystems.com/corporate-governance/policies/>. In compliance of the provisions of Listing Regulations, the policy on dealing with Related Party Transactions has been uploaded on the website of the Company at the following link: <https://www.rsystems.com/corporate-governance/policies/>.

7.2 Statutory Compliance, Penalties and Strictures

During the year ended December 31, 2024, there were no penalties or strictures imposed on R Systems for any non-compliance by Stock Exchanges, SEBI or any other statutory authority on matters related to capital markets. During the year ended December 31, 2023, National Stock Exchange of India Limited and BSE Limited ("Stock Exchanges") have levied a penalty of ₹ 140,000/- each for non-compliance of

Regulation 19 (2) of Listing Regulations, w.r.t. composition of the Nomination, Remuneration and Compensation Committee during the period from May 30, 2023 to August 07, 2023. The said non-compliance was inadvertent and without any malafide intention on the part of the Company. The said penalty has been paid and non compliance had been corrected w.e.f. August 08, 2023.

7.3 Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177 of the Act and rules made thereunder and the Listing Regulations, the Company has in place a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimisation of employees who avail the mechanism and also provides for direct access to the Whistle Blower to the Chairperson of the Audit Committee. We affirm that during the financial year ended December 31, 2024, no employee has been denied access to the Audit Committee. The Company had received no complaint on the designated email id of Audit Committee during the year under review. Whistle Blower policy is available on the website of the Company at the link: <https://www.rsystems.com/corporate-governance/policies/>.

7.4 Risk Management Policy

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

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

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

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

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

Annexure 'C' to the Directors' Report

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

Disclosure with respect to demat suspense account/ unclaimed suspense account is not applicable on the Company as there are no shares which are lying in demat suspense account/ unclaimed suspense account.

As on the date of this report a total of 43,537 equity shares of the Company are lying in the Investor Education and Protection Fund Account.

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

The Board

In compliance with regulation 17 of the Listing Regulations, the Company has an optimum combination of executive and non-executive directors with a women Independent Director who is also the Chairperson of the Board.

Shareholders Rights

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

Modified Opinion in Audit Report

The Statutory Auditors of the Company have issued audit report with unmodified opinion on the financial results of the Company for the financial year ended December 31, 2024.

Reporting of Internal Auditor

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

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

Respect for Human Rights is a fundamental value of R Systems. At R Systems, it is our desire to promote a healthy and congenial working environment irrespective of gender, caste, creed or social class of the employees. We value every individual and are committed to protect the dignity and respect of every individual. The Company has always endeavored for providing a better and safe environment free of sexual harassment at all its work places. Consequent to the enactment of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the Management of R Systems has constituted an Internal Complaints Committee ("ICC") to deal with any complaints or issues that may arise, in the

nature of sexual harassment of women employees. ICC comprises of internal members and an external member who has extensive experience in the field. The Company has also prepared and implemented Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace. During the year ended on December 31, 2024, no case of sexual harassment of women was reported to ICC.

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

M/s. DPV & Associates, LLP has issued a certificate under the Listing Regulations, confirming that none of the Director of the Company has been debarred or disqualified from being appointed or continuing as Director of Company by SEBI, Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed as Annexure-1 to this report.

7.8 Details of total fees paid to Statutory Auditors

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, has been appointed as the Statutory Auditors of the Company. The particulars of payment made to the statutory auditor and all entities in its network for the financial year ended December 31, 2024 are as follows:

	Amount in ₹
Total Fees paid by the Company for the audit and related services to M/s. Deloitte Haskins & Sells LLP.	5,700,000
Total Fees paid by the Subsidiaries for the audit and related services to M/s. Deloitte Haskins & Sells LLP and all entities in its network.	6,122,850
Other fees paid by the Company and its subsidiaries to M/s. Deloitte Haskins & Sells LLP and to all entities in its network.*	3,388,194

* Including out of pocket expenses.

8. Means of Communication

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

9. General Shareholder Information

9.1 Annual General Meeting

Date and Time : Thursday, June 12, 2025 at 10:00 A.M. (IST)

Venue : Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

9.2 Financial year

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

9.3 Date of Book Closure- N.A.

9.4 Dividend Payment Date - N.A.

9.5 Listing on Stock Exchanges

The equity shares of R Systems are actively listed and traded on the following Stock Exchanges:

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

The annual listing fee for the year 2024-25 and 2025-26 has been paid within the scheduled time to NSE and BSE.

There was no instance of suspension of trading in the equity shares of the Company during the Financial Year 2024.

9.6 Registrar and Share Transfer Agent

MUFG Intime India Private Limited

(Formerly known as Link Intime India Private Limited)

Noble Heights, 1st Floor,

Plot NH 2, C-1, Block LSC, Near Savitri Market,

Janakpuri, New Delhi – 110058

9.7 Share Transfer System

Transfer of Equity Shares in dematerialized form are done through depositories with no involvement of the Company. In terms of Listing Regulations, securities of listed companies can only be transferred in dematerialized form including where the claim is lodged for transmission or transposition of shares.

The Security holders/ Claimants are required to fill up requisite Forms for processing of service requests related to transmission, transposition, consolidation/sub-division and issue of duplicate share certificate along with requisite documents. The Company or its RTA shall issue letter of confirmation after processing the valid service requests and the security holders or claimants shall make a request to their Depository Participant for dematerialization of the said securities within the applicable time limit. The registrar and share transfer agent of R Systems periodically receives the details of beneficiary holdings from depositories.

9.8 Updation of KYC details

In compliance with various SEBI Circulars, Members holding securities of listed companies in physical mode are requested to submit their PAN, Bank Account details, KYC and nomination details to the Company's Registrar and Share Transfer Agent at https://web.in.mpms.mufig.com/helpdesk/Service_Request.html. Members holding shares in Demat requested to update their KYC Details with the respective Depository Participant.

9.9 Transfer of unclaimed dividend to Investor Education and Protection Fund

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

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

Date of declaration	Dividend for the year	Due date for transfer to IEPF
May 4, 2018	1 st Interim Dividend 2018	June 03, 2025
December 14, 2019	Interim Dividend 2019	January 13, 2027
June 18, 2021	Interim Dividend 2021	July 18, 2028
November 2, 2021	2 nd Interim Dividend 2021	December 02, 2028
June 1, 2022	Interim Dividend 2022	July 01, 2029
December 13, 2023	Interim Dividend 2023	January 12, 2031
March 19, 2024	Interim Dividend 2024	April 19, 2031
November 8, 2024	2 nd Interim Dividend 2024	December 09, 2031

Annexure 'C' to the Directors' Report

9.10 Distribution of Shareholding as on December 31, 2024

Shareholding of nominal value of (₹)			Shareholders		Share Capital	
			Number	%	Amount ₹	%
1	-	2,500	33,589	97.96	5,681,774	4.80
2,501	-	5,000	317	0.92	1,175,653	0.99
5,001	-	10,000	157	0.46	1,171,275	0.99
10,001	-	20,000	110	0.32	1,591,093	1.34
20,001	-	30,000	30	0.09	725,292	0.61
30,001	-	40,000	12	0.03	426,367	0.36
40,001	-	50,000	14	0.04	641,291	0.54
50,001	-	1,00,000	24	0.07	1,699,686	1.44
Above	-	1,00,000	37	0.11	105,191,014	88.92
Total			34,290	100.00	118,303,445	100.00

9.11 Category wise Shareholding as on December 31, 2024

Sr. No.	Category of Shareholder	No. of shares	Percentage
(A)	Promoters & Promoter Group		
1	Indian	-	-
2	Foreign	61,433,005	51.93
	Sub Total (A)	61,433,005	51.93
(B)	Public Shareholding		
1	Institutions		
(a)	Mutual Funds / UTI	4,868,907	4.12
(b)	Financial Institutions / Banks	-	-
(c)	Alternate Investment Funds	3,926,993	3.32
(d)	NBFCs registered with RBI	-	-
(e)	Foreign Portfolio Investors Category I	4,531,682	3.83
(f)	Foreign Portfolio Investors Category II	193,684	0.16
	Sub Total (B)(1)	13,521,266	11.43
2	Non-institutions		
(a)	Resident Individual shareholders holding nominal share capital up to ₹ 2 lakh	10,495,988	8.87
(b)	Resident Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	2,766,908	2.34
(c)	Directors & their relatives	-	-
(d)	Key Managerial Personnel	195,790	0.17
(e)	Non Resident Indians (NRIs)	25,661,825	21.69
(f)	Foreign Nationals	162,000	0.14
(g)	Any Other (Clearing Members)	2,498	0.00
(h)	Any Other (Bodies Corporate)	2,256,521	1.91
(i)	Any Other (Investor Education and Protection Fund)	43,537	0.04
(j)	Any Other (HUF)	587,233	0.50
(h)	Any Other (LLP)	1,176,874	0.99
	Sub Total (B)(2)	43,349,174	36.64
	Total Public Shareholding (B)(1) + (B)(2)	56,870,440	48.07
	Grand Total	118,303,445	100.00

9.12 Dematerialisation of shares

Shareholders seeking dematerialisation of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificate along with Demat Request Form to the Registrar and Share Transfer Agent (the "Registrar") of the Company. Upon receipt of the valid request and share certificate, the Registrar will verify the same and will confirm the demat request. On confirmation, the demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder through their respective DPs. 99.82% of the issued and paid up share capital of the Company has been dematerialised up to financial year ended December 31, 2024. The International Securities Identification Number (ISIN) of the Company is INE411H01032.

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

R Systems has not issued any GDRs/ ADRs. There were no outstanding convertible warrants as on financial year ended December 31, 2024, except stock options/ restricted stock units (RSUs) granted under the R Systems International Limited Management Incentive Plan 2023, as detailed elsewhere in the Directors' Report.

9.15 Commodity Price Risk or foreign exchange risk hedging activities

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

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

1. Offices of R Systems International Limited

Registered office

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

Corporate offices

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

SEZ Units

1st, 2nd and 4th Floor, Tower 1, Plot No. 21, Sector Techzone IV, Greater Noida West- 201306 (U.P.)

Pune office

3rd Floor, AG Trade Centre, Ramanagar Colony, Sr No 7/8, Plot No 18, NDA Road, Bavdhan, Pune, Pune City, Maharashtra, India, 411021

Chennai office

Plot# NP 1 & 2, Industrial Estate, Sidco Industrial Estate, Guindy, Chennai -600032

U.S.A. Branch office

5000, Windplay Drive, Suite #5, El Dorado Hills, CA 95762, U.S.A

2. R Systems, Inc.

5000, Windplay Drive, Suite # 5, El Dorado Hills, CA 95762, U.S.A

3. R Systems Technologies Ltd.

5000, Windplay Drive, Suite # 5, El Dorado Hills, CA 95762, U.S.A

4. RSYS Technologies Ltd.

Vancouver office

1000, Cathedral Place, 925 West Georgia Street, Vancouver BC V6C 3L2, Canada.

Ontario office

2425 Matheson Blvd East Unit 778 Mississauga, Ontario, L4W 5K4 Canada

5. RSIL Mexico, S. de R.L. de C.V.

WeWork , 01A-109 and 01A-110, Montes Urales 424, Lomas de Chapultepec V secc., Miguel Hidalgo, Mexico City, 11000 Mexico.

6. Velotio Technologies Private Limited

Registered office

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

Corporate Office

3rd Floor, AG Trade Centre, Ramanagar Colony, Sr No 7/8, Plot No 18, NDA Road, Bavdhan, Pune, Pune City, Maharashtra, India, 411021

7. Scaleworx Technologies Private Limited

Registered office

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

Corporate Office

3rd Floor, AG Trade Centre, Ramanagar Colony, Sr No 7/8, Plot No 18, NDA Road, Bavdhan, Pune, Pune City, Maharashtra, India, 411021

8. R Systems Computariss International Limited

Larch House Parklands Business Park, Denmead, Waterlooville, Hampshire, United Kingdom, PO7 6XP

Annexure 'C' to the Directors' Report

9. R Systems Computaris S.R.L.

Vlaicu Pircalab Street, No 63,
Et. 8, Oficiu B, MD – 2012,
Sky Tower Business Center
Chisinau, Republica Moldova

10. R Systems Computaris Malaysia Sdn. Bhd.

Lot. No. 5F-1, 5th Floor
Tower 5, Puchong Financial
Corporate Center
Jalan Puteri 1/2, Bandar
Puteri 47100 Puchong,
Selangor Malaysia.

11. R Systems Computaris Poland Sp. Z O.O.

Warsaw office

Babka Tower, entrance H, 6th
floor, Al. Jana Pawła II 80
Warszawa, 00-175, Polska

Bialystok Office

ul. Św. Rocha 10/2, 1st floor,
15-879 Bialystok

12. R Systems Computaris Europe S.R.L.

Bucharest office

Tiriac Tower, Str. Buzesti
82-94, 5th floor, District 1
Bucuresti, 011017, Romania

Galati office

23 Logofat Tautu Str., 800009,
Galati, Romania

Craiova office

2 Market Street,
Chiriac Market, Dolj,
Craiova, Romania

Germany Office

Rather StraBe 110 a,
40476 Dusseldorf

13. R Systems Computaris Philippines Pte. Ltd. Inc.

Level 16 Tower 6789 6789
Ayala Avenue, 1206 Makati
City, Philippines

14. R Systems Computaris Suisse Sàrl

Rue du Trésor 9, c/o
Me Madalina Diaconu,
Etudes SPLC Avocats &
Notaires, 2000 Neuchâtel

15. R Systems (Singapore) Pte Limited

#04-01, 16 Jalan Kilang,
Hoi Hup Building,
Singapore 159416

16. R Systems Consulting Services Limited

16, Jalan Kilang, #04-
01 Hoi Hup Building,
Singapore – 159 416

17. R Systems Consulting Services (M) Sdn. Bhd.

Suite 5F-1, 5th Floor, Tower 5,
Puchong Financial Corporate
Centre (PFCC) Jalan Puteri
½, Bandar Puteri, 47100
Puchong, Selangor, Malaysia

18. R Systems Consulting Services (HongKong) Limited

Rm 2808 28/F Wu Chung
House 213 Queen's Road
East, Wan Chai, Hong Kong

19. R Systems Consulting Services (Thailand) Co, Ltd.

101 True Digital Park, Pegasus
Building, 5th Floor, Unit 501,
Sukhumvit Road, Bang Chak,
Phra Khanong, Bangkok
10260 Thailand.

20. R Systems Consulting Services Kabushiki Kaisha

Housho building 3F-B, 15-2
Rokubancho, Chiyoda-ku,
Tokyo, Japan, 102-0085

21. R Systems Consulting Services (Shanghai) Co., Ltd.

Rm H, 20 Floor, Foresight
Mansion, No. 768 Xie Tu Rd,
Shanghai 200023, People's
Republic of China.

22. R Systems Consulting Company Services Limited

Level 9, Lim Tower 3, 29A
Nguyen Dinh Chieu Street, Da
Kao Ward, District 1, Ho Chi
Minh City, Vietnam

23. R Systems IBIZCS Pte. Ltd.

16 Jalan Kilang#04-01
Hoi Hup Building
Singapore 159416

24. R Systems IBIZCS Sdn. Bhd.

Suite 5F-1, 5th Floor, Tower 5,
Puchong Financial Corporate
Centre (PFCC) Jalan Puteri ½,
Bandar Puteri, 47100 Puchong
Selangor, Malaysia

25. PT RSystems IBIZCS International

Setiabudi Building 2, 2nd
Floor, Suite 203, Jl. H.R.
Rasuna Said Kav. 62
Jakarta Selatan 12920

26. IBIZ Consulting Services Limited

Units 1901-3, 19/F, Strand
50, 50 Bonham Strand,
Sheung Wan, Hong Kong

27. IBIZ Consulting Services (Shanghai) Co, Ltd.

Rm H, 20 Floor, Foresight
Mansion, No. 768, Xie Tu Rd,
Shanghai 200023, People's
Republic of China.

28. IBIZ Consulting (Thailand) Co., Ltd,

101 True Digital Park, Pegasus
Building, 5th Floor, Unit 501,
Sukhumvit Road, Bang Chak,
Phra Khanong, Bangkok
10260 Thailand.

**9.17 Address for correspondence**

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

Registrar and Share Transfer Agent**MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)**

Noble Heights, 1st Floor, Plot NH 2, C-1, Block LSC, Near Savitri Market, Janakpuri, New Delhi – 110058,

Phone: 011 - 414 10592, 93, 94; Fax : 011 - 414 10591

Email: delhi@in.mpms.mufg.com

For General Correspondence:

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

Phone: 0120 - 430 3500,

Email: investors@rsystems.com

On behalf of the Board

For **R Systems International Limited**

Ruchica Gupta

(DIN: 06912329)

(Chairperson & Non-Executive Independent Director)

Place: Delhi

Date: May 08, 2025

Nitesh Bansal

(DIN: 10170738)

(Managing Director & Chief Executive Officer)

Place: Frisco TX, USA

Date: May 08, 2025

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

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

- A. We have reviewed financial statements and the cash flow statement for the year ended on December 31, 2024 and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee, wherever applicable:
- 1) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Nitesh Bansal

(Managing Director & Chief Executive Officer)

Place: Frisco TX, USA

Date: February 13, 2025

Nand Sardana

(Chief Financial Officer)

Place: Noida

Date: February 13, 2025

Annexure-1

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

RSYSTEMS INTERNATIONAL LIMITED

(CIN: L74899DL1993PLC053579)

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

- That the equity shares of **R SYSTEMS INTERNATIONAL LIMITED** (hereinafter referred as the “Company”) are listed on BSE Limited and National Stock Exchange of India Limited.
- We have examined the relevant disclosures received from the directors as well as the registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN status at the portal, www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we certify that none of the below named Directors of the Company as on 31st December, 2024 have been debarred or disqualified from being appointed or continuing as director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

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

- Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the eligibility of directors based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For **DPV & Associates LLP**
Company Secretaries

Firm Reg. No.: L2021HR009500

Peer Review Certificate No. 6189/2024

Devesh Kumar Vasisht

Managing Partner

CP No.:13700 / Mem. No. F8488

UDIN:F008488G000298360

Date: May 08, 2025

Place: Faridabad

Annexure 'D' to the Directors' Report

To
The Members
R Systems International Limited

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter dated 12 July 2024.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of R Systems International Limited (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 December, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

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

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations, as amended from time to time, during the year ended 31 December, 2024.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner

Place: Gurugram
Date: May 8, 2025

(Membership No. 87104)
(UDIN: 25087104BMJGVA7627)

Annexure 'E' to the Directors' Report

Management's Discussion and Analysis Report



Overview

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

A. Industry Structure and Developments

As per NASSCOM Annual Strategic Review Report 2025, the last year has been a year of strategic resilience for India's IT sector amid shifting global economic patterns and evolving market dynamics. The total revenue of IT

industry in FY 2024-25 was over US\$ 282.6 billion. India's ITES sector contributing to more than 58% to the global outsourcing market indicates its position as the IT talent powerhouse of the world. Segments such as Engineering R&D and GCCs (Global Capability Centres), especially in services and BPM (Business Process Management) have contributed to the domestic IT sector. India is now home to over 1750 GCCs which indicates a shift toward high value services and advanced product engineering capabilities. Digital engineering is increasingly being adopted in BFSI, healthcare and retail sectors, with nearly two-thirds of large tech deals focused on these transformations.

Further, in CY 2024, the global technology sector entered a new era defined by the widespread adoption of Artificial Intelligence (AI), particularly generative AI. AI has transcended hype and is delivering measurable operational efficiencies across industries.

Annexure 'E' to the Directors' Report

B. Company Overview

R Systems International Limited (the 'Company' or 'the Parent Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') is a public company domiciled in India having its registered office at New Delhi. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. The Group is a leading global provider of technology, artificial intelligence, intelligent process automation

services and solutions along with knowledge services. The Group delivers its services and solutions to leading technology companies and businesses to enable their digital transformation. The Group's services and solutions span over six business verticals namely (i) Tech, Internet and Platforms, (ii) Health, (iii) Manufacturing & Logistics (M&L), (iv) Telecom, Media & Entertainment (TME), (v) Banking, Finance & Insurance (BFSI) and (vi) Services.

The Company has following subsidiaries:-

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

- a. As on July 3, 2023, Velotio Technologies Private Limited (Velotio) held 40% Equity shares of Scaleworx Technologies Private Limited (Scaleworx) and classified Scaleworx as its associate. Subsequently, on December 1, 2023, Velotio acquired the balance 60% equity shares in Scaleworx's and consequently Scaleworx became wholly owned subsidiary of Velotio.

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

Name	Holding as at		Country of incorporation
	December 31, 2024	December 31, 2023	
R Systems Consulting Services (M) Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Consulting Services (Thailand) Co., Ltd.	100 %	100 %	Thailand
R Systems Consulting Services (Shanghai) Co., Ltd.	100 %	100 %	People's Republic of China
R Systems Consulting Services (Hong Kong) Ltd.	100 %	100 %	Hong Kong
R Systems Consulting Services Kabushiki Kaisha	100 %	100 %	Japan
R Systems Consulting Services Company Limited (incorporated on October 17, 2022)	100 %	100 %	Vietnam

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

Name	Holding as at		Country of incorporation
	December 31, 2024	December 31, 2023	
R Systems Computaris Europe SRL	100 %	100 %	Romania
R Systems Computaris Poland sp z o.o	100 %	100 %	Poland
R Systems Computaris S.R.L	100 %	100 %	Moldova
R Systems Computaris Malaysia Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Computaris Philippines Pte. Ltd. Inc.	100 %	100 %	Philippines
R Systems Computaris Suisse Sarl	100 %	100 %	Switzerland

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

Name	Holding as at		Country of incorporation
	December 31, 2024	December 31, 2023	
IBIZ Consulting Services Pte Ltd (strike off w.e.f. January 08, 2024)	-	100 %	Singapore
R Systems IBIZ Sdn. Bhd.	100 %	100 %	Malaysia
PT. R Systems IBIZCS International	100 %	100 %	Indonesia
IBIZ Consulting (Thailand) Co. Ltd.	100 %	100 %	Thailand
IBIZ Consulting Service Limited (IBIZ HK)	100 %	100 %	Hong Kong
IBIZ Consulting Service Shanghai Co., Ltd	100% by IBIZ HK	100% by IBIZ HK	People's Republic of China

C. Opportunities and Threats

Enterprise demand for AI-led transformation, cloud migration, and process automation is surging. R Systems is leveraging this by expanding its data, AI, and cloud service portfolio. Further, with many mid-sized global firms exploring India for setting up Global Capability Centres (GCCs), the Company has rolled out a dedicated playbook to partner with such GCCs either to set up or scale their operations. The Company has launched multiple AI-powered platforms such as OptimaAI

and AI-enabled migration solutions. These have helped modernize client applications and positioned R Systems as a valued partner for high-tech and next gen services.

With the addition of new delivery centre in Mexico, R Systems now added the capability to serve clients through nearshore models along with onshore and offshore offerings. This flexibility enhances service capability, reduces delivery risk along with cost efficiencies.

Annexure 'E' to the Directors' Report

As every opportunity comes up with inherent risk and challenges, however, over the years, R Systems has learnt to reckon with as well as address such risks and challenges, including threats from competitors including their disruptive tactics, new technologies, cyber security, intensifying demand for global talent, retention of employees and stringent governing norms regarding restrictions on outsourcing services.

At R Systems, these threats and uncertainties are managed proactively through our risk mitigation processes and strategies.

D. Segment-wise and Product-wise Performance

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

E. Performance and Outlook

R Systems reported consolidated revenue of ₹ 17,417.27 million during the year 2024 as against revenue of

₹ 16,845.18 million during the year 2023. The revenue grew by 3.40% during the year 2024.

Consolidated profit after tax during the year 2024 was ₹ 1,311.82 million as against net profit for the year 2023 of ₹ 1,401.06 million.

The basic earnings per share (based on the consolidated financial statements) during the year 2024 was ₹ 11.09 per share as against ₹ 11.84 per share in 2023 of the face value of Re. 1 each.

R Systems maintains a solid financial position with equity attributable to equity shareholders of ₹ 6,240.50 million, including net cash and bank balance of ₹ 1,960.61 million as of December 31, 2024, to invest towards the future growth of the business.

R Systems is well-positioned to leverage the following factors, which are pertinent to its differentiated strategy for growth in the marketplace:

Strong digital competencies such as analytics, cloud, mobility, RPA / IA, A.I., ML and IoT complemented by the experience in delivering complex digital transformation projects

Focused on critical verticals such as (i) Tech, Internet and Platforms, (ii) Health, (iii) Manufacturing & Logistics (M&L), (iv) Telecom, Media & Entertainment (TME), (v) Banking, Finance & Insurance (BFSI) and (vi) Services .

A customer-centric approach to delivering innovative and cost-effective services and solutions

Long term relationship with marquee customers, including Fortune 500 enterprises

Global delivering capabilities through seventeen development and service centres

Adherence to the highest quality certification for development processes, delivery models and security infrastructure

Strong Balance Sheet to support liquidity and growth

F. Risk and Concerns

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

G. Internal Control Systems and Their Adequacy

Internal control systems are a set of policies, processes and procedures put in place to help achieve the strategic objectives of an organisation. The Company's Internal Control System is commensurate with the size, scale and complexity of its operations. It has been designed to provide reasonable assurance with regard to recording and providing

reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance with corporate policies. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. Internal teams test identified vital controls at regular intervals to ensure their existence and operating effectiveness. Further, the internal auditors also perform an independent check of the effectiveness of key controls in identified areas of internal financial control reporting. The Statutory Auditor's Report also includes an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

The CEO/CFO certification provided in this report places responsibility on the CEO and CFO to continuously ensure

the adequacy of the Company's internal control systems and procedures.

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

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

As of FY 2024, R Systems has a talent pool of 4,316 associates, including 529 sales and support associates.

I. Discussion on financial performance with respect to operational performance

Financial Position as of December 31, 2024

1. Property, Plant and Equipment (PPE), Right-to-use Assets (ROU) and Intangible Assets

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

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Property, plant and equipment (net)	436.83	607.41	309.52	450.65
Right-to-use assets	495.85	628.55	403.12	473.82
Intangible assets				
- Goodwill on Consolidation	2,836.24	2,836.58	-	-
- Other intangible assets (net)	1,923.55	2,181.20	2.56	5.94
Capital work in progress	-	1.64	-	-
Intangible assets under development	40.53	-	40.53	-
Total	5,733.00	6,255.38	755.73	930.41

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

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Property, plant and equipment	153.65	149.41	101.12	95.09
Right-to-use assets	32.91	48.13	-	-
Other intangible assets	0.04	0.56	-	0.49

Note: Refer Consolidated Financial Statements and Standalone Financial Statements for head wise details. Also refer to Note no. 36 of Consolidated Financial Statements for the details of total additions in consolidated financial statements through acquisition during the year ended December 31, 2023.

Annexure 'E' to the Directors' Report

2. Investment Property

Investment Property represents the land and building in Pune, which have been given on lease. Investment Property value (net) as of December 31, 2024, was Rs. 14.47 million as against Rs. 15.96 million as of December 31, 2023.

3. Non-Current Investment

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Investment in subsidiaries (net of provision for diminution in the value of investment)	-	-	3,735.19	3,727.55
Other investment	0.03	0.03	0.03	0.03
Total	0.03	0.03	3,735.22	3,727.58

During the year, the Company has set up a wholly owned subsidiary in United Mexican States, named RSIL Mexico, S. de R.L. de C.V. which represent an increase in investment.

Note: Refer to Note no. 4 of the Standalone Financial Statements.

4. Other Non-Current Financial Assets

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Security deposits	25.67	47.43	19.78	28.84
Margin money deposits	32.24	66.98	0.60	0.57
Interest accrued on bank deposits	0.13	0.68	0.02	0.01
Staff advance	0.17	0.05	0.17	0.05
Total	58.21	115.14	20.57	29.47

5. Deferred Tax Liability/Assets (Net)

Deferred tax reflects the timing differences between the financials and tax books arising mainly from employees benefit provisions, employee shared based payment expense, difference in book values and tax base values of right-of-use assets and lease liabilities, Provision for doubtful debts, tax losses, M2M loss on derivative instruments, MAT credit entitlement (results in deferred tax assets), differences between accounting base and tax base for Property, plant and equipment and Intangible assets, the net gain arising on financial assets measured at FVTPL and M2M gain on derivative instruments (results into deferred tax liability).

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

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Deferred Tax Assets (net)	392.01	313.44	276.72	220.22

6. Income Tax Assets/Liability

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

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Income tax assets (net)	45.59	58.12	19.21	26.45
Income tax liability (net)	184.81	137.00	153.78	112.95

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

7. Other Non-Current Assets

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Capital advances	-	70.40	-	45.74
Prepaid expenses	37.91	56.19	37.22	52.83
Total	37.91	126.59	37.22	98.57

The Capital Advance represents mainly the advance given to the vendor for the procurement of capital assets.

8. Trade Receivables

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Trade receivables (gross)	2,649.35	2,630.23	1,136.95	1,136.18
Less : Allowance for doubtful debts (expected credit loss allowance)	76.26	126.24	40.86	104.85
Trade receivables (net)	2,573.09	2,503.99	1,096.09	1,031.33

9. Cash and Bank Balance

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

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Cash and cash equivalents				
Cash on hand	1.01	0.90	0.14	0.03
Balances with scheduled banks	499.46	238.04	213.86	77.82
Balances with other banks	1,400.42	1,334.56	173.15	116.71
Cash and cash equivalents (A)	1,900.89	1,573.50	387.15	194.56
Other bank balances				
Deposit with an original maturity of more than 3 months but less than 12 months	32.87	136.70	2.36	133.42
Balances in unclaimed dividend account	3.70	2.53	3.70	2.53
Bank balance towards interim dividend	-	804.46	-	804.46
Other bank balances (B)	36.57	943.69	6.06	940.41
Total Cash and Bank Balance (A+B)	1,937.46	2,517.19	393.21	1,134.97

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

10. Other Current Financial Assets

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Staff advance	8.29	11.99	1.57	2.98
Recoverable from related parties	-	-	50.03	3.08
Unbilled revenue other than from fixed bid contract	697.05	632.44	583.97	469.87
Security deposits	30.53	4.94	11.35	0.89
Bank deposits with original maturity of more than 12 months	47.47	112.74	-	112.74
Mark-to-market gain on derivative instruments	-	9.86	-	9.86
Interest accrued on bank deposits	2.40	0.22	-	0.05
Other	11.92	33.33	2.91	3.95
Total	797.66	805.52	649.83	603.42

Annexure 'E' to the Directors' Report

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

11. Other Current Assets

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Balances with indirect tax authorities	142.14	105.07	107.09	71.44
Unbilled revenue from fixed bid contract	126.23	86.51	22.35	11.24
Prepaid expenses	224.31	225.61	148.28	142.90
Advance to vendors	7.85	15.11	6.81	13.96
Tour and travel advance	1.83	2.76	1.83	2.76
Total	502.36	435.06	286.36	242.30

12. Assets held for sale

The Company has entered into an agreement to sell the leasehold land, building and certain other assets situated at its NOIDA office for consideration of ₹ 505 million. Pursuant to this transaction, the Company has received an advance of ₹ 70 million from the buyer.

The assets agreed to be transferred under the deal are recorded at lower of their carrying amount and net realizable value. Details of the assets held for sale are as under:

(₹ in millions)

Class of Assets	31.12.2024
Leasehold Land	10.98
Buildings and leasehold improvements	36.02
Plant and equipment	14.84
Electric installation	0.40
Furniture and fittings	1.55
Computer hardware	0.01
Office equipment	0.20
Total	64.00

Note: For detail, please refer to Note no. 38 Consolidated Financial Statement

13. Share Capital

- The Company's authorised share capital is ₹ 206 million as of December 31, 2024, and December 31, 2023. The Company's issued, subscribed and paid-up capital as of December 31, 2024, and December 31, 2023, is ₹ 118.31 million.
- During the year ended December 31, 2024, the Nomination, Remuneration and Compensation Committee ("NRCC") has approved the grant of 5,907,586 (Fifty Nine Lakhs Seven Thousand Five Hundred Eighty Six only) Restricted Stock Units ("RSUs") under the plan to the identified employees of the Company and its subsidiaries. The plan is implemented and administered by the NRCC. Each RSUs shall vest into one equity share as per the terms and conditions mentioned in the Plan at an exercise price of ₹ 1/- per share.

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

14. Other Equity

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Reserve and Surplus				
Capital reserve under common control	(0.34)	(0.34)	(0.34)	(0.34)
Capital reserve other	0.03	0.03	-	-
Capital redemption reserve	5.02	5.02	5.02	5.02
Share based payment reserve	298.86	-	298.86	-
Retained earnings	5,210.72	5,386.98	4,709.94	4,704.66
Other Comprehensive Income				
Foreign currency translation reserve	607.90	604.37	-	-
Total Other Equity	6,122.19	5,996.06	5,013.48	4,709.34

The Company paid the first interim dividend for the year 2024 of ₹ 6/- per equity share of face value of ₹ 1/- each on April 12, 2024 and the second interim dividend 2024 of Rs. 6.50/- per equity share of face value of ₹ 1/- each on December 05, 2024, aggregating to ₹ 1,478.79 million.

15. Non-Controlling Interest

Non-controlling interest as of December 31, 2024 and December 31, 2023 is ₹ 2,407.00.

Detailed information regarding non-controlling interest has been given in Note no. 36 of the Consolidated Financial Statements.

16. Borrowings

(₹ in millions)

Particulars	31.12.2024	31.12.2023
Term loans		
Motor vehicles Loan from non-banking financial company (secured)		
Non-Current Portion	13.01	16.94
Current Portion	11.46	10.64
Cash credit facility from scheduled banks	52.86	551.60
Total Borrowings	77.33	579.18

17. Lease liabilities

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Non-current	561.28	631.14	528.63	554.88
Current	90.21	101.45	26.24	16.60
Total Lease liabilities	651.49	732.59	554.87	571.48

18. Other Non-Current Financial Liabilities

Other Non-Current Financial Liabilities represent the Security deposits received which is required to be paid after the 12 months from the reporting date based on contractual agreement. Security deposit as of December 31, 2024, was ₹ 12.18 mn as against of ₹ 12.01 mn as of December 31, 2023.

Annexure 'E' to the Directors' Report

19. Provisions (non-current)

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Provision for Employee benefit - Gratuity	327.63	282.00	275.19	246.04

20. Trade Payables

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Trade Payable	406.23	370.76	97.92	109.98

21. Other Current Financial Liabilities

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Payable to subsidiary company	-	-	81.57	50.87
Security deposits received	13.37	12.31	13.37	12.31
Unclaimed dividend	3.70	2.53	3.70	2.53
Interim dividend payable	-	689.55	-	689.55
Mark-to-market loss on derivative instruments	55.45	0.46	55.45	-
Employee benefits payable	812.61	746.87	383.68	290.59
Capital creditors	0.71	0.65	0.71	-
Advance from Customers	14.46	15.14	11.93	6.77
Payable to erstwhile shareholders of subsidiary	-	56.67	-	56.67
Interest accrued but not due	0.39	2.97	0.39	2.97
Other financial liabilities	7.73	8.00	3.31	3.32
Total	908.42	1,535.15	554.11	1,115.58

22. Other Current Liabilities

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Tax deducted on dividend	-	114.91	-	114.91
Other statutory dues payable	237.78	221.85	101.62	93.36
Unearned revenues	249.21	297.45	49.03	41.36
Advance received towards sale of assets	70.00	-	70.00	-
Total	556.99	634.21	220.65	249.63

23. Provisions (current)

(₹ in millions)

Particulars	Consolidated		Standalone	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Provision for employee benefits				
- Gratuity	43.28	23.34	35.60	18.68
- Compensated absences	339.52	317.05	235.21	217.50
Provision for CSR	0.41	1.76	-	-
Total	383.21	342.15	270.81	236.18

24. Liquidity

The consolidated cash and cash equivalents as at December 31, 2024 were ₹ 1,900.89 mn as against ₹ 1,573.50 mn as on December 31, 2023.

Net cash generated from operating activities was ₹ 2,352.65 mn for the year ended December 31, 2024 compared to ₹ 2,113.64 mn for the year ended December 31, 2023.

Cash generated from investing activities was ₹ 147.63 mn for the year ended December 31, 2024, and mainly comprised of proceeds from investment in term deposit with bank ₹ 204.10 mn, advance received towards sale of assets ₹ 70 mn as offset by net cash outflow on account of purchase of property, plant and equipment and intangible assets of ₹ 122.03 mn.

Cash used in financing activities was ₹ 2,163.16 mn for the year ended December 31, 2024, and mainly comprised of payment of interim dividend ₹ 1,478.79 mn and repayment of short-term borrowings ₹ 498.74 mn.

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

R Systems has a credit facility (fund based as well as non-fund based) from the Axis Bank Limited and ICICI Bank Limited. As at December 31, 2024, the total credit balance was ₹ 52.86 mn along with term loan amounting to ₹ 24.47 mn with respect to motor vehicles purchased.

Analysis and Discussions of Operating Performance for the Year Ended December 31, 2024

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

Consolidated Statement of Profit and Loss for the year:

(₹ in millions)

Particulars	Year ended 31.12.2024	% of Total Income	Year ended 31.12.2023	% of Total Income	Change %
Income					
Revenue from operations	17,417.27	99.52	16,845.18	99.32	3.40
Other income	83.14	0.48	115.33	0.68	(27.91)
Total income	17,500.41	100.00	16,960.51	100.00	3.18
Expenses					
Employee benefits expense	11,911.19	68.06	11,335.35	66.83	5.08
Finance costs	83.95	0.48	89.50	0.53	(6.20)
Depreciation and amortisation expense	653.73	3.74	544.04	3.21	20.16
Other expenses	2,936.52	16.78	2,986.36	17.61	(1.67)
Total expenses	15,585.39	89.06	14,955.25	88.18	4.21
Profit before tax and Share in Profit / (Loss) of Associate	1,915.02	10.94	2,005.26	11.82	(4.50)
Share of net profit / (loss) of associates accounted for using the equity method	-	-	(5.04)	(0.03)	(100.00)
Profit before tax	1,915.02	10.94	2,000.22	11.79	(4.26)
Tax expense	603.20	3.45	599.16	3.53	0.67
Net Profit for the year	1,311.82	7.50	1,401.06	8.26	(6.37)
Other comprehensive income / (loss)	(5.76)	(0.03)	63.08	0.37	(109.13)
Total comprehensive income for the year	1,306.06	7.46	1,464.14	8.63	(10.80)

Annexure 'E' to the Directors' Report

Standalone Statement of Profit and Loss for the year:

(₹ in millions)					
Particulars	Year ended 31.12.2024	% of Total Income	Year ended 31.12.2023	% of Total Income	Change %
Income					
Revenue from operations	9,114.40	95.18	9,038.87	92.75	0.84
Other income	461.75	4.82	706.42	7.25	(34.64)
Total income	9,576.15	100.00	9,745.29	100.00	(1.74)
Expenses					
Employee benefits expense	6,152.53	64.25	6,014.41	61.72	2.30
Finance costs	77.61	0.81	81.18	0.83	(4.40)
Depreciation and amortisation expense	226.91	2.37	239.95	2.46	(5.43)
Other expenses	1,232.17	12.88	1,227.87	12.60	0.35
Total expenses	7,689.22	80.30	7,563.41	77.61	1.66
Profit before tax	1,886.93	19.70	2,181.88	22.39	(13.52)
Tax expense	401.38	4.19	447.31	4.59	(10.27)
Net Profit for the year	1,485.55	15.51	1,734.57	17.80	(14.36)
Other comprehensive income / (loss)	(1.48)	(0.02)	(4.61)	(0.05)	(67.90)
Total comprehensive income for the year	1,484.07	15.51	1,729.96	17.75	(14.21)

1. Income

1.1 Revenue from Operations

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

1.1.1 Based on Consolidated Financial Statement

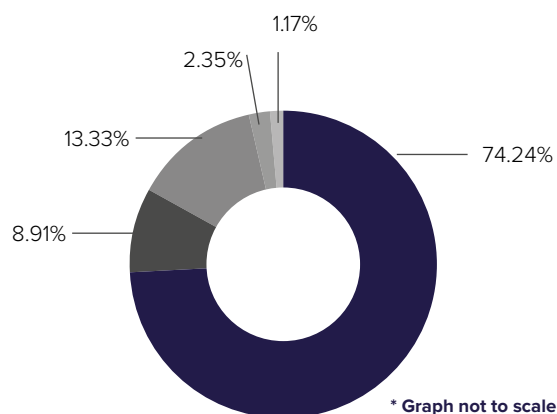
(₹ in millions)					
Particulars	Year ended 31.12.2024	%	Year ended 31.12.2023	%	Change %
Information technology services	15,725.17	90.28	15,123.17	89.78	3.98
Business process outsourcing services (net of inter segment revenue)	1,692.10	9.72	1,722.01	10.22	(1.74)
Total	17,417.27	100.00	16,845.18	100.00	3.40

1.1.2 Based on Standalone Financial Statement

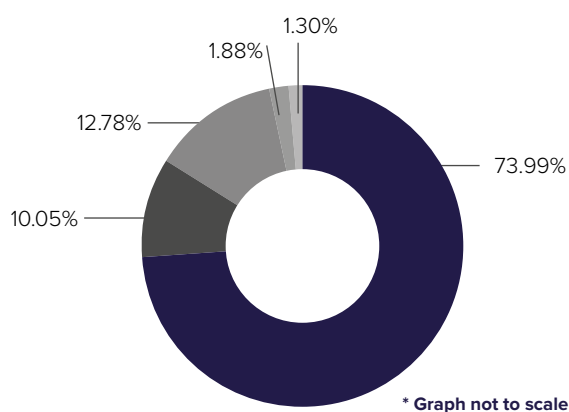
(₹ in millions)					
Particulars	Year ended 31.12.2024	%	Year ended 31.12.2023	%	Change %
Information technology services	7,357.95	80.73	7,255.31	80.27	1.41
Business process outsourcing services	1,756.45	19.27	1,783.56	19.73	(1.52)
Total	9,114.40	100.00	9,038.87	100.00	0.84

1.1.3 Consolidated Revenue by Geography

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



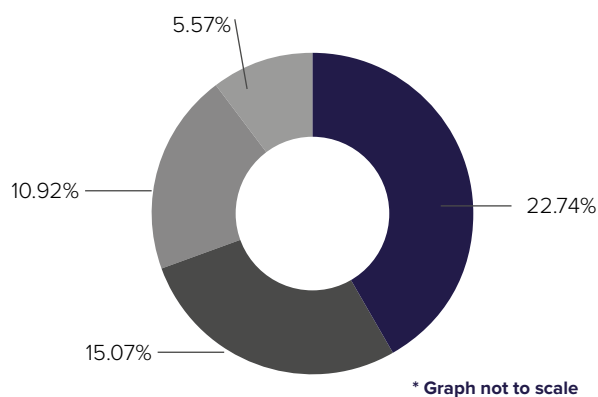
Geography	Year ended 31.12.2024
North America	74.24%
Europe	8.91%
SEAC	13.33%
India	2.35%
Others	1.17%
	100.00%



Geography	Year ended 31.12.2023
North America	73.99%
Europe	10.05%
SEAC	12.78%
India	1.88%
Others	1.30%
	100.00%

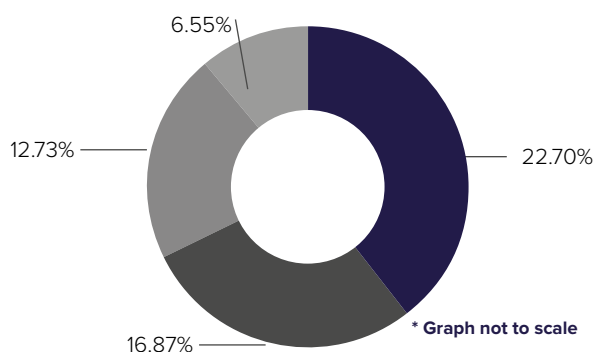
1.1.4 Consolidated Revenue by Client Concentration

The breakdown of R Systems' consolidated revenue based on client concentration for the year ended December 31, 2024, and 2023 is as follows:



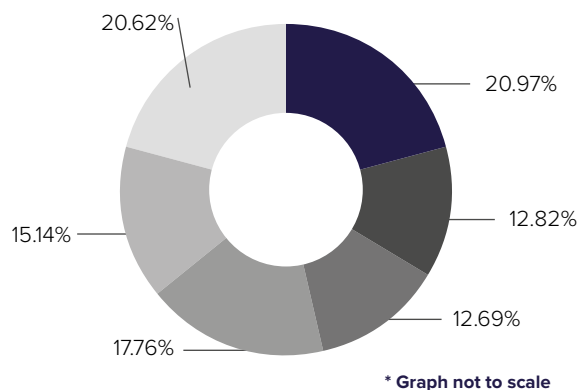
Revenue from Top 10 Clients	Year ended 31.12.2024
Top 10 Clients	22.74%
Top 5 Clients	15.07%
Top 3 Clients	10.92%
Largest Client	5.57%

Annexure 'E' to the Directors' Report

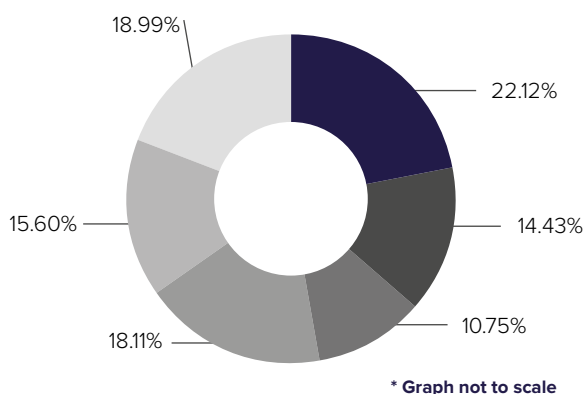


Revenue from Top 10 Clients	Year ended 31.12.2023
Top 10 Clients	23.70%
Top 5 Clients	16.87%
Top 3 Clients	12.73%
Largest Client	6.55%

11.5 Consolidated Revenue by Customer Industry Type



Customer Industry Type	Year ended 31.12.2024
Tech, Internet and Platforms	20.97%
Health	12.82%
Manufacturing & Logistics (M&L)	12.69%
Telecom, Media & Entertainment (TME)	17.76%
Banking, Finance & Insurance (BFSI)	15.14%
Services	20.62%



Customer Industry Type	Year ended 31.12.2023
Tech, Internet and Platforms	22.12%
Health	14.43%
Manufacturing & Logistics (M&L)	10.75%
Telecom, Media & Entertainment (TME)	18.11%
Banking, Finance & Insurance (BFSI)	15.60%
Services	18.99%

1.2 Other Income

Particulars	Consolidated		Standalone	
	Year ended 31.12.2024	Year ended 31.12.2023	Year ended 31.12.2024	Year ended 31.12.2023
Interest income	37.20	67.34	19.14	54.02
Dividend from subsidiary companies	-	-	401.73	573.90
Rental income from investment property	7.86	6.72	7.86	6.72
Foreign exchange fluctuation (net)	-	23.15	-	64.37
Reversal of provision for doubtful debts (net)	-	-	6.75	-
Liability no longer required written back	21.34	5.38	15.94	-
Profit on sale of property, plant and equipment (net)	-	-	0.43	-

(₹ in millions)

(₹ in millions)

Particulars	Consolidated		Standalone	
	Year ended 31.12.2024	Year ended 31.12.2023	Year ended 31.12.2024	Year ended 31.12.2023
Net gain on disposal / fair valuation of investments	-	4.62	-	4.62
Net gain on fair value of Investment in associates	-	2.04	-	-
Miscellaneous income	16.74	6.08	9.90	2.79
Total	83.14	115.33	461.75	706.42

2. Expenditures

2.1 Personnel Expenses

Personnel expenses primarily consist of salaries, wages, bonus, gratuity benefits, contribution towards provident and other funds, staff welfare expenses and employee share based payment expense.

2.1.1 Based on Consolidated Financial Statement:

(₹ in millions)

Particulars	Year ended 31.12.2024	% of Total Income	Year ended 31.12.2023	% of Total Income	Change %
Salaries, wages and bonus	10,731.57	61.32	10,464.39	61.70	2.55
Gratuity expenses	75.62	0.43	62.35	0.37	21.28
Contribution to provident and other funds	521.09	2.98	529.27	3.12	(1.55)
Staff welfare expenses	284.05	1.62	279.34	1.65	1.69
Employee share based payment expense	298.86	1.71	-	-	100.00
Total	11,911.19	68.06	11,335.35	66.83	5.08

2.1.2 Based on Standalone Financial Statement:

(₹ in millions)

Particulars	Year ended 31.12.2024	% of Total Income	Year ended 31.12.2023	% of Total Income	Change %
Salaries, wages and bonus	5,510.84	57.55	5,629.39	57.77	(2.21)
Gratuity expenses	61.48	0.64	55.88	0.57	10.02
Contribution to provident and other funds	212.85	2.22	208.01	2.13	2.33
Staff welfare expenses	116.15	1.21	121.13	1.24	(4.11)
Employee share based payment expense	251.21	2.62	-	-	100.00
Total	6,152.53	64.25	6,014.41	61.72	2.30

2.2 Finance costs (Interest expenses)

(₹ in millions)

Particulars	Consolidated		Standalone	
	Year ended 31.12.2024	Year ended 31.12.2023	Year ended 31.12.2024	Year ended 31.12.2023
On borrowings	22.95	24.25	22.95	24.25
On lease liabilities	60.67	62.05	54.63	56.47
On income tax	0.33	3.20	0.03	0.46
Total	83.95	89.50	77.61	81.18

Annexure 'E' to the Directors' Report

2.3 Depreciation and Amortisation Expense

(₹ in millions)

Particulars	Consolidated		Standalone	
	Year ended 31.12.2024	Year ended 31.12.2023	Year ended 31.12.2024	Year ended 31.12.2023
Depreciation on property, plant and equipment	258.56	263.37	178.08	188.52
Depreciation on investment property	1.49	1.47	1.49	1.47
Depreciation on right-of-use assets	135.98	131.50	43.96	46.30
Amortisation of intangible assets	257.70	147.70	3.38	3.66
Total	653.73	544.04	226.91	239.95
% of Total income	3.74	3.21	2.37	2.46

2.4 Operational and other expenses

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

2.4.1 Based on Consolidated Financial Statement

(₹ in millions)

Particulars	Year ended 31.12.2024	% of Total Income	Year ended 31.12.2023	% of Total Income	Change %
Power and fuel	58.90	0.34	55.00	0.32	7.09
Rent - premises	57.00	0.33	62.63	0.37	(8.99)
Software subscription charges	250.00	1.43	216.53	1.28	15.46
Repair and maintenance	72.41	0.41	73.98	0.44	(2.12)
Commission	3.69	0.02	4.66	0.03	(20.82)
Travelling and conveyance	273.78	1.56	252.42	1.49	8.46
Communication costs	98.24	0.56	115.65	0.68	(15.05)
Legal and professional fees	1,358.72	7.76	1,437.77	8.48	(5.50)
Cost of third party items	369.00	2.11	295.01	1.74	25.08
Auditors' remuneration	36.06	0.21	29.08	0.17	24.00
Foreign exchange fluctuation (net)	10.86	0.06	-	-	100.00
Provision for doubtful debts (net)	7.10	0.04	68.98	0.41	(89.71)
Provision for doubtful advances (net)	10.73	0.06	-	-	100.00
Loss on sale / discarding of property, plant and equipment (net)	0.09	0.00	4.48	0.03	(97.99)
Loss on cancellation of leases (net)	0.82	0.00	-	-	100.00
Contribution towards corporate social responsibility	32.36	0.18	23.27	0.14	39.06
Miscellaneous expenses	296.76	1.70	346.90	2.05	(14.45)
Total	2,936.52	16.78	2,986.36	17.61	(1.67)

2.4.2 Based on Standalone Financial Statement

(₹ in millions)

Particulars	Year ended 31.12.2024	% of Total Income	Year ended 31.12.2023	% of Total Income	Change %
Power and fuel	35.74	0.37	34.02	0.35	5.06
Rent - premises	22.08	0.23	29.69	0.30	(25.63)
Software subscription charges	193.29	2.02	171.36	1.76	12.80
Repair and maintenance	54.51	0.57	53.75	0.55	1.41
Commission	3.69	0.04	4.66	0.05	(20.82)
Travelling and conveyance	170.32	1.78	171.91	1.76	(0.92)
Communication costs	63.77	0.67	81.13	0.83	(21.40)
Legal and professional fees	462.69	4.83	358.42	3.68	29.09
Auditors' remuneration	7.72	0.08	6.87	0.07	12.37
Foreign exchange fluctuation (net)	10.10	0.11	-	-	100.00
Provision for doubtful debts (net)	-	-	68.87	0.71	(100.00)
Loss on sale / discard of property, plant and equipment (net)	-	-	0.10	0.00	(100.00)
Contribution towards corporate social responsibility	32.36	0.34	23.27	0.24	39.06
Miscellaneous expenses	175.90	1.84	223.82	2.30	(21.41)
Total	1,232.17	12.87	1,227.87	12.60	0.35

2.5 Tax expense

Tax expense comprises current tax and deferred tax.

(₹ in millions)

Particulars	Consolidated		Standalone	
	Year ended 31.12.2024	Year ended 31.12.2023	Year ended 31.12.2024	Year ended 31.12.2023
Profit Before Tax	1,915.02	2,000.22	1,886.93	2,181.88
Current tax	678.38	613.59	457.38	485.60
Deferred tax credit	(75.18)	(14.43)	(56.00)	(38.29)
Total Tax Expense	603.20	599.16	401.80	447.31
Effective Tax Rate (%)	31.50	29.95	21.27	20.50

Annexure 'E' to the Directors' Report

Effective Tax Rate has increased due to one-time tax impact of remeasurement of deferred tax assets based on the tax rate applicable under Section 115BAA of Income Tax Act, 1961 effective April 1, 2025, as the Company is expected to shift to new tax regime.

Refer Note 28 of the consolidated financial statements.

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

Ratio	Consolidated			Standalone		
	Year ended 31.12.2024	Year ended 31.12.2023	Variance%	Year ended 31.12.2024	Year ended 31.12.2023	Variance%
Debtors Turnover (DSO) (in days)	53	55	(3.00)	43	44	(3.25)
Inventory Turnover	NA	NA	NA	NA	NA	NA
Interest Coverage	22.82	22.12	3.19	19.36	19.18	0.98
Current Ratio ^{&}	2.24	1.70	31.74	1.75	1.25	39.44
Debt Equity Ratio [@]	11.68%	21.45%	(45.56)	12.32%	23.83%	(48.31)
Operating Profit Margin	11.0%	11.8%	(6.39)	16.5%	17.2%	(4.26)
Net Profit Margin	7.53%	8.32%	(9.44)	16.30%	19.19%	(15.07)
Return on Net worth	21.24%	24.22%	(12.32)	29.83%	39.74%	(24.93)

& Current ratio has increased due to decrease in short-term borrowings

@ Debt equity ratio has decreased due to decrease in short-term borrowings

Note :

Debtors Turnover (DSO) = Average Trade Receivables / Revenue from operations * 360

Operating Profit = Profit before tax (PBT) add: Finance cost, less: other income

Interest Coverage = Operating profit / Finance cost

Current Ratio = Current Assets / Current Liability

Debt Equity Ratio = Total Debt (borrowings + lease liabilities) / Shareholders' equity

Operating Profit Margin = Operating profit / Revenue

Net Profit Margin = Profit after tax (PAT) / Revenue

Return on Net worth = Profit after tax (PAT) / Average shareholders' equity.

On behalf of the Board

For **R Systems International Limited**

Ruchica Gupta

(DIN: 06912329)

(Chairperson & Non-Executive Independent Director)

Place: Delhi

Date: May 08, 2025

Nitesh Bansal

(DIN: 10170738)

(Managing Director & Chief Executive Officer)

Place: Frisco TX, USA

Date: May 08, 2025

Annexure 'F' to the Directors' Report

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity:

1	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1993PLC053579
2	Name of the Listed Entity	R Systems International Limited ("R Systems" / "Company")
3	Year of incorporation	1993
4	Registered office address	GF-1-A, 6, Devika Tower, Nehru Place, Delhi – 110019
5	Corporate address	C-40, Sector-59, Noida, Uttar Pradesh – 201307 ^{Note 1}
6	E-mail	investors@rsystems.com
7	Telephone	+91 (120) 4303500
8	Website	www.rsystems.com
9	Financial year for which reporting is being done	January 01, 2024 – December 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital	₹ 118,303,445 ^{Note2}
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Nand Sardana, Chief Financial Officer Telephone: +91 (120) 4303500, E-mail id: rsil@rsystems.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report have been made on standalone basis.
14	Name of assurance provider	NA
15	Type of assurance	NA

Note:

- Subsequent to the year ended on December 31, 2024, the Corporate Office of the Company has been relocated to 3rd Floor, Tower No. 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector TechZone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh - 201306, India.
- Subsequent to year ended on December 31, 2024 and up to the date of this report, the Company has allotted 76,844 equity shares to the identified employees of the Company and/or Group Companies under the R Systems International Limited Management Incentive Plan 2023. Consequently, as on date of this report, issued, subscribed and paid up Capital of the Company is ₹118,380,289/-.

II. Products/Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Computer programming, consultancy and related activities	Computer programming, consultancy and related activities (IT consultancy, information and business process outsourcing services, etc.)	100%

Annexure 'F' to the Directors' Report

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Information technology services and products	620	80.73%
2.	Business process outsourcing services	620	19.27%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	NA	5	5
International	NA	1	1

Note: As on December 31, 2024, R Systems International Limited maintains eighteen development and service centres to serve customers in North America, Europe, APAC and India through its subsidiaries.

19. Markets served by the Entity:

a. Number of locations

Location	Numbers
National (No. of States)	6
International (No. of Countries)	17*

*Excluding India and on standalone basis. On consolidated basis, number of markets served are 39 (excluding India).

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

96.40% of the total turnover of the Company on standalone basis.

c. A brief on types of customers:

Our product mindset and engineering capabilities enable us to collaborate with key players in the Tech industry, such as independent software vendors (ISVs), SaaS companies, and product companies across telecom, media, fintech, insurtech, and healthtech verticals.

For more information about our customers, please visit our website at <https://www.rsystems.com/>.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES*						
1	Permanent (D)	2,933	2,357	80.36%	576	19.64%
2	Other than Permanent (E)	57	50	87.72%	7	12.28%
3	Total employees (D + E)	2,990	2,407	80.50%	583	19.50%
WORKERS						
4	Permanent (F)					
5	Other than Permanent (G)					
6	Total workers (F + G)					

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

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

b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	3	1	33.00%	2	67.00%
2	Other than Permanent (E)	-	-	0.00%	-	0.00%
3	Total Differently Abled Employees	3	1	33.00%	2	67.00%
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)					
5	Other than Permanent (G)					
6	Total Differently Abled Workers (F + G)					

Not Applicable

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	7	1	14.29%
Key Management Personnel [®]	3	-	0.00%

*As on December 31, 2024.

[®]Includes Managing Director & Chief Executive Officer who is also part of Board of Directors.

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

	FY 2024 (Turnover Rate)*			FY 2023 (Turnover Rate)*			FY 2022 (Turnover Rate)*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.15%	17.23%	15.55%	12.71%	17.90%	13.70%	25.13%	26.10%	25.31%
Permanent Workers	NA								

*This data is Voluntary Attrition %.

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

23. (a) Names of Holding/Subsidiary/Associate Companies/Joint Ventures (A) as on December 31, 2024:

S No.	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1.	BCP Asia II Topco II Pte. Ltd., Singapore	Holding	51.93%	No, however, subsidiary companies share our vision, ethics and values. They are required to pursue responsible practices as per the laws applicable to them.
2.	R Systems, Inc., USA	Subsidiary	100%	
3.	RSYS Technologies Ltd., Canada	Subsidiary	100%	
4.	R Systems Technologies Limited, USA	Subsidiary	100%	
5.	R Systems Computaris International Limited, UK	Subsidiary	100%	
6.	R Systems Computaris Europe S.R.L., Romania ¹	Subsidiary	100%	
7.	R Systems Computaris Poland Sp Z. O.O., Poland ¹	Subsidiary	100%	
8.	R Systems Computaris S.R.L., Moldova ¹	Subsidiary	100%	
9.	R Systems Computaris Malaysia Sdn. Bhd., Malaysia ¹	Subsidiary	100%	
10.	R Systems Computaris Philippines Pte. Ltd. Inc., Philippines ¹	Subsidiary	100%	
11.	R Systems Computaris Suisse Sarl, Switzerland ¹	Subsidiary	100%	
12.	R Systems Consulting Services Limited, Singapore ²	Subsidiary	99.75%	
13.	R Systems Consulting Services (M) Sdn. Bhd., Malaysia ³	Subsidiary	99.75%	
14.	R Systems Consulting Services (Thailand) Co., Ltd., Thailand ³	Subsidiary	99.75%	

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S No.	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
15.	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China ³	Subsidiary	99.75%	
16.	R Systems Consulting Services (Hong Kong) Ltd., Hong Kong ³	Subsidiary	99.75%	
17.	R Systems Consulting Services Kabushiki Kaisha, Japan ³	Subsidiary	99.75%	
18.	R Systems Consulting Services Company Limited, Vietnam ³	Subsidiary	99.75%	
19.	R Systems (Singapore) Pte Limited, Singapore	Subsidiary	100%	
20.	R Systems IBIZCS Pte. Ltd., Singapore ⁴	Subsidiary	100%	
21.	R Systems IBIZ Sdn. Bhd., Malaysia ⁵	Subsidiary	100%	
22.	PT R Systems IBIZCS International, Indonesia ⁵	Subsidiary	100%	
23.	IBIZ Consulting (Thailand) Co., Ltd., Thailand ⁵	Subsidiary	100%	
24.	IBIZ Consulting Service Limited, Hong Kong ⁵	Subsidiary	100%	
25.	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China ⁶	Subsidiary	100%	
26.	Velotio Technologies Private Limited, India	Subsidiary	100% equity shares	
27.	Scaleworx Technologies Private Limited, India ⁷	Subsidiary	100% equity shares	
28.	RSIL Mexico, S. de R.L. de C.V., United Mexican States ⁸	Subsidiary	100%	

1. Wholly owned subsidiary of R Systems Computaris International Limited, UK

2. The shareholding held by the Company and R Systems (Singapore) Pte Limited is 69.37% and 30.38%, respectively.

3. Wholly owned subsidiary of R Systems Consulting Services Limited, Singapore

4. Wholly owned subsidiary of R Systems (Singapore) Pte Limited, Singapore

5. Wholly owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore

6. Wholly owned subsidiary of IBIZ Consulting Services Limited - Hong Kong

7. Wholly owned subsidiary of Velotio Technologies Private Limited.

8. Wholly owned subsidiary w.e.f. October 09, 2024.

VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes
- ii. Turnover (in ₹) (FY 2024): ₹ 9,114.40 million
- iii. Net worth (in ₹ (FY 2024): ₹ 5,132.11 million

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024 Current Financial Year			FY 2023 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes The Company is connected with the ground level realities of its projects along with implementation partners. This approach facilitates a communication between the Company, Implementing Partners and Community Beneficiaries and provides ample opportunity to receive and redress grievances of the Community Beneficiaries.	-	-	-	-	-	-
Investors (Other than shareholders)	Yes Grievances from investors and shareholders may be submitted via email to the designated address: investors@rsystems.com .	-	-	-	-	-	-
Shareholders	Additionally, shareholders may contact the Registrar and Transfer Agent (RTA) of the Company for inquiries related to share transfers, correspondence concerning shares, dividends, and more via email at delhi@in.mpms.mufig.com or rnt.helpdesk@in.mpms.mufig.com or through the following webpage: https://web.in.mpms.mufig.com/helpdesk/Service_Request.html . The shareholders may also register on 'SWAYAM', an online Investor Self-Service Portal of RTA that empowers security holders to effortlessly access information through a dashboard and avail various services in digital mode at https://swayam.in.mpms.mufig.com/	6	-	Complaints resolved within stipulated time	9	-	Complaints resolved within stipulated time

Annexure 'F' to the Directors' Report

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024 Current Financial Year			FY 2023 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees	<p>Yes</p> <p>A mechanism for addressing complaints and grievances has been established to handle all questions, concerns, and issues of employees. Suggestions, grievances, or complaints may be sent by employees to the designated email address at HRD@rsystems.com.</p> <p>Additionally, an Internal Complaints Committee (ICC) has been formed by the Company to deal with complaints related to the sexual harassment of women employees. The email address for the Internal Complaints Committee is ICC@rsystems.com.</p> <p>Furthermore, cases falling under the purview of the Whistle Blower Policy are handled according to the policy, allowing concerns regarding illegal or unethical practices to be communicated directly to the Chairman of the Audit Committee via the email address Chairman.AuditCommittee@rsystems.com.</p>	-	-	-	-	-	-
Customers	<p>Yes,</p> <p>Various channels for raising grievances are available to customers through account managers and client engagement managers. Escalation mechanisms are outlined in individual client contracts, and corrective actions for grievances are taken in accordance with R Systems quality policies.</p>	-	-	-	-	-	-
Value Chain Partners	<p>Yes</p> <p>Complaints/grievances from suppliers are addressed at the appropriate level on a case-to-case basis.</p>	-	-	-	-	-	-

Policies as per the Companies Act, 2013 and SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are available on the website of the Company i.e. <https://www.rsystems.com/investors-info/corporate-governance/policies/> and all other policies are displayed on our intranet.

26. Overview of the entity's material responsible business conduct issues

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

S. No.	Material issues 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	Climate Change & Resource Management	Risk	Climate change poses significant risks to our global operations through extreme weather events, disrupting supply chains, affecting workforce productivity, and impacting organizational resilience. As a global technology company with distributed operations, we recognize the need for proactive environmental measures.	<p>GHG Emissions: Implementing remote work policies to reduce commuting emissions while enhancing employee productivity and satisfaction.</p> <p>Energy Management: Upgrading to LED lighting and energy-efficient equipment, optimizing air conditioning systems, and transitioning to dual-fuel generators to reduce our environmental footprint.</p>	Negative: Increased operational costs from adaptation measures.
2	Employee Management	Opportunity & Risk	<p>Opportunity: In the competitive IT and digital product engineering services industry, prioritizing employee well-being, diversity, and skill development creates a sustainable competitive advantage, enhancing talent retention and company growth.</p> <p>Risk: The highly competitive nature of the digital engineering market requires continuous efforts to attract and retain specialized talent to meet evolving client needs.</p>	<p>Talent Development: Implementing comprehensive training programs focused on continuous skill development, mental health and wellness.</p> <p>Diversity Initiatives: Establishing policies promoting gender diversity and equal opportunities across global offices.</p> <p>Workplace Safety: Implementing proactive safety measures, training programs, and emergency response plans.</p>	<p>Negative: Inadequate employee development and talent management practices could lead to decreased morale, higher attrition, and increased recruitment costs, negatively impacting overall performance and financial results.</p> <p>Positive: Enhanced employee satisfaction leads to higher productivity, innovation, and client satisfaction.</p>

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S. No.	Material issues 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)
3	Community Welfare	Opportunity	As a global technology company, our community welfare initiatives presents an opportunity to create a positive social impact, strengthen stakeholder relationships, and support sustainable business growth.		- Positive Enhanced brand reputation, improved stakeholder relations, greater employee engagement, and sustainable business growth.
4	Human Rights	Opportunity	At R Systems, upholding human rights principles across our global operations enhances our corporate culture and reputation. Our commitment includes eliminating discrimination, preventing harassment, ensuring fair wages, and maintaining adherence to POSH guidelines.		- Positive: Strong human rights practices enhance corporate reputation, increase employee engagement, improve talent acquisition, and strengthen client relationships particularly in global markets.
5	Corporate Governance & Business Ethics	Opportunity & Risk	Opportunity: Strong corporate governance creates stakeholder trust and operational stability. Our robust framework includes transparent policies, ethical guidelines, and regular audits that enhance our reputation. Risk : Inadequate compliance measures pose significant risks for R Systems, including legal penalties, reputational damage, and operational disruptions, potentially undermining overall performance and stakeholder trust.	Proactive monitoring of regulatory changes with timely compliance updates. Implementation of organization-wide training programs to ensure ongoing awareness and adherence to compliance requirements.	Negative: Inadequate governance practices may result in legal penalties, reputational damage, and operational disruptions. Positive: Strong governance enhances investor confidence, client trust, and competitive advantage.

S. No.	Material issues 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)
6	Data Privacy, Cyber Security	Risk	Cyber threats, data breaches, third-party risks, data retention challenges, and cloud security vulnerabilities pose substantial risks to R Systems, jeopardizing sensitive information and regulatory compliance.	Enhancement of Information Security Management System (ISMS) in alignment with ISO 27001 requirements. Implementation of stringent security controls including access restrictions, encryption, continuous monitoring, and employee training. Regular internal risk assessments to identify vulnerabilities and implement proactive corrective measures.	Negative: Data breaches and cyber-attacks could result in significant financial losses and reputational damage.
7	Customer Centricity/ Satisfaction	Opportunity	R Systems is dedicated to expanding its reach by strategically managing its flagship multi-service accounts. The focus is on efficient client management and revenue generation through business transformation, enhancing service technology offerings to meet evolving customer demands. Addressing customer feedback through dedicated channels and timely resolutions boosts customer satisfaction and enhances the Company's brand value.		- Positive Customer satisfaction and loyalty significantly enhance the Company's profitability. Higher customer satisfaction can also open up new business opportunities and drive growth.

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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Policies as per the Act and Listing Regulations are available on the website of the Company i.e., https://www.rsystems.com/investors-info/corporate-governance/policies/ and all other policies are displayed on our intranet.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusts) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies have been developed and implemented in compliance with the National Guidelines on Responsible Business Conduct, the Companies Act of 2013, and SEBI Regulations. Data privacy and cybersecurity policies are aligned with internationally recognized quality standards, including ISO 27001:2022. ISO 9001 for quality management system.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We are in the process of developing the goals and targets that align with the nine principles with regard to ESG and overall development and growth.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):	<p>Dear Stakeholders,</p> <p>At R Systems, our commitment to Environmental, Social, and Governance (ESG) principles is deeply integrated into our business strategies. This commitment supports our operational efficiency and drives our community impact, reflecting in our enhanced ESG performance over the past year.</p> <ul style="list-style-type: none">Our collaboration with IIT Delhi harnesses AI to address complex sustainability challenges and stands as a testimonial to our commitment to technological innovation in service of societal benefits.R Systems has made a substantial investment in meaningful educational and environmental initiatives through our CSR activities, which we highlighted in our annual report.In our water management practices, we have repurposed wastewater for gardening and washroom flushes in our Noida office.Our new office in Noida reflects our commitment to green infrastructure, featuring energy-efficient designs and systems that significantly lower our ecological footprint. <p>We also recognize the growing emphasis our clients place on sustainable practices. This is increasingly becoming a decisive factor in their vendor selection and drives our strategic adjustments to align with their expectations.</p> <p>Warm Regards,</p> <p>Nitesh Bansal,</p> <p>Managing Director & Chief Executive Officer,</p> <p>R Systems International Limited</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Nitesh Bansal, Managing Director & Chief Executive Officer (DIN:10170738)								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>The Managing Director and Chief Executive Officer lead the implementation of the Company's ESG vision.</p> <p>The Board and its Committees hold overall responsibility for governance, ethics, and sustainability practices, playing a crucial role in identifying, mitigating, and managing ESG risks and other significant issues.</p> <p>Our Board committees, including the CSR Committee, Audit Committee, and Risk Management Committee, actively provide strategic direction and insights for our sustainability objectives and initiatives. The Board also regularly reviews different aspects of sustainability.</p>								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	3	4	5	6	7	8	9	
Performance against above policies and follow up action	Policies and procedures are periodically reviewed by the Board/ Board Committees/Functional Heads, as and when applicable.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	We comply with all the applicable laws of land where we operate in. The compliance with statutory requirements is reviewed by the Board/Board Committees/Functional Heads of the Company on a periodic basis.																	
	P1	P2	P3	P4	P5	P6	P7	P8	P9									

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.
- R Systems has not conducted an independent assessment of its policies through an external agency. However, all Company policies are regularly reviewed and updated by respective functional heads, followed by the Board/ Board Committees, as and when need arises due to external environment changes or geopolitical scenarios.

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)	Not Applicable								

Annexure 'F' to the Directors' Report

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

We believe that good Corporate Governance is a key contributor to sustainable corporate growth and creating superior for our stakeholders. We are committed to conduct our business in compliance with the laws, rules, and regulations and with the highest standards of business ethics i.e., with transparency, accountability, fairness, professionalism and social responsiveness.



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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	02	Annual code of conduct declaration. R Systems follows a structured orientation and training program for Independent Directors at regular intervals. The details of the familiarization programs are available on the Company's website at the following link: https://www.rsystems.com/investors-info/corporate-governance/policies/	100%
Key Managerial Personnel	03	Annual code of conduct declaration, POSH, information and security management.	100%
Employees other than BoD and KMPs	163	Induction training, business ethics, workplace conduct, fraud, bribery & corruption, conflict of interest, POSH, information and security management, business communication, mental wellbeing.	100%
Workers		Not Applicable	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary				
	NGRBC Principle	Name of the regulatory/ enforce agencies/ judicial institutions preferred? (Yes/No)	Amount (In INR) and Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine Settlement Compounding fee			Nil	
Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforce agencies/ judicial institutions preferred? (Yes/No)	Amount (In INR) and Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment			Nil	

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Nil

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

Yes, R Systems enforces a strong anti-bribery and anti-corruption policy that applies to individuals at all levels and grades. This comprehensive policy, accessible on the Company's website, offers detailed guidance on business ethics, values, and procedures, ensuring zero tolerance for bribery.

The policy applies to the organization and its subsidiaries. Aligned with local laws, the policy enables stakeholders to detect and report breaches at the e-mail id of Chairperson of the Audit Committee at Chairman.AuditCommittee@rsystems.com. We prioritize our commitment to the highest ethical standards in all business operations, fostering transparency and integrity.

The policy is available on the Company website at <https://www.rsystems.com/corporate-governance/policies/>.

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

There have been no cases involving disciplinary action taken by any law enforcement agency for charges of bribery/ corruption against directors /KMP/employees/workers that have been brought to our attention.

	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 2024 (Current Financial Year)		FY 2023 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

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

Not Applicable

8. Number of days of accounts payables ((Accounts payable¹ *365) / Cost of goods/services procured) in the following format:

	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Number of days of accounts payables	Within 27 days*	Within 25 days*

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

Annexure 'F' to the Directors' Report

9. Open-ness of business

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

Parameter	Metrics	FY 2024 (Current Financial Year)	FY 2023 (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)*	18.83%	11.95%
	b. Sales (Sales related parties / Total Sales)*	10.25%	5.60%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made**)	100.00%	100.00%

* Excluding reimbursement on account of Travel and other expenses.

**Computed as per financial statements of the Company for the financial year ended on December 31, 2024 and December 31, 2023 as per guidance prescribed in Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

Leadership Indicators

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

Our agreements with suppliers incorporate a supplier code of conduct that outlines clauses related to ethical business practices, labour laws, and Environmental Health & Safety (EHS). Additionally, R Systems plans to develop formal awareness programs for our value chain partners to educate them on these principles.

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

Yes, The Board of Directors, senior management of the Company adheres to a 'Code of Conduct for Directors & Senior Management of R Systems International Limited' which expressly outline provisions addressing conflicts of interest.

In addition, the Company has a policy on conflict of interest which is applicable to all board members, employee, contractors & consultants of Company and its group companies across all geographies.



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 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)	Details of improvements in Environmental and social impacts
R&D	-	-	-
Capex (₹ in Million)	-	4.18	-

R Systems helps its clients to digitize their entire value chains and infuse intelligent automation while promoting sustainability through digitalization. R Systems does not quantify the proportion of R&D and capex investments in particular technologies to enhance the environmental and social impact of our products and processes.

R Systems has set up a Centre of Excellence (CoE) at the prestigious Indian Institute of Technology Delhi (IIT-Delhi) on Applied AI for Sustainable Systems. This initiative underscores the strategic priority of R Systems to promote innovation, enhance new-age skills, and develop deep tech.

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

R Systems is committed to nurturing the judicious and responsible utilization of resources across its operations. In this endeavour, the Company has formulated a supplier code of conduct. This policy serves as a guiding framework for suppliers when engaging with the Company and propelling them to implement procedures with stringent environmental, governance and social aspects in their operations. Given the nature of R Systems' business in IT and IT-enabled services, resource consumption is judiciously aligned with operational necessities. This mandates suppliers to comply with pertinent environmental regulations and to conduct their business sustainably.

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

We are in the process of tracking and monitoring the % of inputs sustainably sourced.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not applicable as per the nature of the business.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR is not applicable to the Company's activities.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
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The Company is in the business of IT and IT enabled services, therefore, LCA is not applicable for our services.

Annexure 'F' to the Directors' Report

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

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

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Not Applicable due to the nature of our business		

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

	FY 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics including packaging)						
E-waste						
Hazardous waste						
Other waste						
Not Applicable						

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

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



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	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	2,357	2,357	100%	2,357	100%	NA	0%	19*	0.81%	We offer a hybrid work environment which can assist our employees with childcare.	
Female	576	576	100%	576	100%	576	100%	NA	0%		
Total	2,933	2,933	100%	2,933	100%	576	100%	19	0.65%		
Other than Permanent Employees											
Male	50	Other than permanent employees directly hired by the Company on a contractual basis are provided with health insurance, accident insurance, and maternity benefits. However, for Individuals hired through third-party contractors, these benefits are administered by their direct employers.									
Female	7										
Total	57										

*Employed at USA Branch.

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

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

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

	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	1.14%	1.30%

Note: Computed as per guidance prescribed in Industry Standards Note on Business Responsibility and Sustainability Report Core.

Annexure 'F' to the Directors' Report

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

Benefits	FY 2024 (Current Financial Year)			FY 2023 (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.)
PF	100.00%	NA	Y	100.00%	NA	Y
Gratuity	100.00%		Y	100.00%		Y
ESI*	3.13%		Y	2.00%		Y
NPS	5.50%		Y	4.57%		Y

Note: Data Specific to India

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

3. Accessibility of workplaces

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

Yes, the Company strives to provide an inclusive infrastructure that takes into account the demographics and composition of its workforce. Most of the Company's facilities are equipped with wheelchair facilities, elevators and ramps as per the Rights of Persons with Disabilities Act, 2016 to ensure access to differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

R Systems is an equal opportunity employer, committed to treating all individuals fairly without any bias based on gender, caste, creed, color, religion, disability, or sexual orientation. The Company has implemented an equal opportunity policy to stimulate a fair, safe, and inclusive work environment.

In line with this policy, R Systems ensures accessibility for employees with disabilities, adhering to the Rights of Persons with Disabilities Act, 2016.

For more details, visit: <https://www.rsystems.com/corporate-governance/policies/>

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	Not Applicable	
Female	100%	44%		
Total	100%	44%		

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	<p>NA</p> <p>The Company encourages employees and stakeholders to report any evidence of improper activities that may affect its business or reputation. The Company maintains an Anti-Discrimination and Harassment policy for transgender individuals and people with HIV/AIDS.</p> <p>To address employee concerns, the Company has a complaint and grievance redressal mechanism, allowing submissions via HRD@rsystems.com. An Internal Complaints Committee (ICC) is in place to handle sexual harassment complaints, which can be filed with the Head of HR or ICC members. The ICC can be reached at ICC@rsystems.com.</p> <p>The Whistle Blower Policy allows employees to report illegal or unethical practices to the Chairman of the Audit Committee at Chairman.AuditCommittee@rsystems.com.</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

	FY 2024			FY 2023		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male						
Female						
Total Permanent Workers						
Male						
Female						

The Company does not have any employee association(s) or Unions

We acknowledge the right to freedom of association through independent trade unions, Work Councils (WCs), or Collective Bargaining Agreements (CBAs) in accordance with regional laws where we operate. However, participation in these activities is mostly voluntary, allowing individuals to engage in discussions.

8. Details of training given to employees and workers:

Category	Total (A)	FY 2024 (Current Financial Year)				Total (D)	FY 2023 (Previous Financial Year)			
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/ A)	No.(C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	2,407	2,407	100%	2,407	100%	2,355	2,355	100%	2,355	100%
Female	583	583	100%	583	100%	519	519	100%	519	100%
Total	2,990	2,990	100%	2,990	100%	2,874	2,874	100%	2,874	100%
Workers										
Male	Not Applicable									
Female										
Total										

Annexure 'F' to the Directors' Report

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

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

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

R Systems is committed to nurturing a strong safety culture, prioritizing employee welfare by measuring and reporting key safety indicators across the organization.

The Company has established holistic frameworks and procedures to ensure employee and asset safety, including maintenance of support utilities and regular inspections of electrical and fire safety equipment. The administration team also conducts periodic assessments to ensure compliance with statutory norms and requirements.

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

R Systems evaluates work-related hazards and risks associated with both routine and non-routine activities. Internal process owners are responsible for identifying and implementing controls to manage safety-related risks, and a mitigation plan is established to eliminate hazards.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

R Systems has established a robust process for reporting and managing safety incidents, including accidents, near-misses, and unsafe conditions. Employees can access defined reporting channels that promote transparent communication, leading to necessary corrective actions. The Company emphasizes conducting thorough investigations into incidents and implementing corrective measures to eliminate hazards and prevent future occurrences.

To raise employee awareness about safety reporting, R Systems offers induction training and ongoing communication. Multiple avenues for reporting health and safety concerns are available, including an internal helpdesk and various email addresses for the admin team, which facilitate timely resolutions with the relevant executives.

d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, R Systems prioritizes the holistic well-being of its employees, encompassing mental, ergonomic, and physical health, as well as safety at home. This approach includes digital channels, hospital insurance, and occupational health services. Employees have access to non-occupational medical care and consultations with doctors. The Company supports mental well-being through online counselling and events. Additionally, policies such as Group Personal Accident, Medclaim, and Group Term Life Insurance enhance a supportive and health-conscious work environment.

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

Safety Incident/Number	Category	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	-	-
	Workers	Not Applicable	Not Applicable
Number of fatalities	Employees	-	-
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	Not Applicable	Not Applicable

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The well-being of our people is prioritized by providing a safe, secure, and healthy workplace. Various measures have been implemented by the Company to ensure a safe and healthy workplace, as employee health and well-being are of paramount importance.

Additionally, a systematic approach is ensured by the Company to maintain a safe and healthy workplace for all employees on its premises, incorporating the following measures:

- CCTV cameras are installed with employee privacy in mind.
- Security checks are conducted at entry and exit points.
- Periodic electrical maintenance is performed.
- Fire detection and suppression systems are regularly inspected.
- Regular pest control and rodent management.
- Drinking water quality is periodically tested for various parameters.
- Quarterly checks for DG stack and noise emissions are conducted.
- Ambient air quality and temperature are regulated in the office.
- security escorts are provided for Female employees during evening and night travel, and all Company vehicles have GPS trackers.
- A medical room and first aid kits are available on-site and in cabs.
- Experienced drivers are hired for employee commutes.
- Floor plans and signage are displayed in the office.
- Health and safety awareness sessions are held for employees.
- Adequate insurance policies are provided.

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

	FY 2024 (Current Financial Year)			FY 2023 (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 and 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	At R Systems, we prioritize our employees' well-being and safety. We conduct internal assessments across our offices, focusing on evaluating and improving working conditions and health and safety practices. These assessments play a crucial role in maintaining a secure and supportive work environment, reflecting our commitment to being an employee-centric Company.
Working Conditions	

Annexure 'F' to the Directors' Report

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.

During the financial year ended December 31, 2024, no safety incidents were recorded. However, R Systems prioritizes workplace safety by implementing relevant measures such as safety training, inspections, and internal assessments. Dedicated officials at each office location manage safety matters.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

	(Y/N)
Employees	Yes
Workers	NA

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We require our suppliers/partners to adhere to our Suppliers code of conduct, business responsibility principles, and values. When the Company places an order, the vendor receives the cost along with GST, which the vendor is responsible for depositing with the government. The Accounts Team monitors this process, as the Company cannot claim the GST amount from the government until it has been deposited by the vendor. Additionally, the suppliers/ partners are responsible to ensure adherence to the law of land.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Employees	-	-	-	-
Workers	-	Not Applicable	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

We do not provide a dedicated transition assistance program for retired or terminated employees because our workforce mainly consists of highly skilled individuals who usually do not require this support.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	R Systems emphasizes the importance of adherence to regulations, including those concerning health, safety, and working conditions, for all its value chain partners. While R Systems does not currently assess partners on these specific criteria, suppliers are obligated under contractual agreements to comply with R System's sustainability policies. These policies prioritize healthy working conditions and uphold a zero-tolerance stance towards human rights violations, ensuring responsible business conduct across the entire value chain.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

We are in the process of developing the corrective actions to be taken, in case of any risk or concerns that may arise.


Businesses should respect the interests of and be responsive to all its stakeholders
Essential Indicators
1. Describe the processes for identifying key stakeholder groups of the entity.

The key stakeholders' groups are identified in consultation with the Company's management based on their significance, role, and influence on our business. Our key stakeholders play an integral role in the Company's success because they are most influenced by our business activities. Correspondingly, the growth and performance of our Company largely rely on these stakeholders. Therefore, we have established a systemic management approach to facilitate effective communication with our stakeholders and gain insights from them. This approach allows us to comprehend their expectations, and concerns and assimilate their feedback into our strategic planning. These interactions enhance our collective knowledge, assist in identifying priority areas, minimize risks, allocate resources, and align our actions towards achieving our strategic objective.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Customer meetings, customer feedback survey, website, webinars	Ongoing basis/ Annually	<ul style="list-style-type: none"> Customer Satisfaction Pricing and quality of services
Employees	No	Notice boards, website, intranet, email communications, employee survey feedback, annual performance review, meetings, trainings	Ongoing basis	<ul style="list-style-type: none"> Professional development, Working condition Employee performance, Employee satisfaction, Work-life balance Company culture
Community, NGOs	Yes	Corporate Social Responsibility (CSR) engagements, interaction with the beneficiaries (community meetings), implementing partners.	Ongoing basis	<ul style="list-style-type: none"> Welfare of the community
Investors, Shareholders & Analysts	No	Annual General Meeting (AGM), Investor meetings/calls, newspaper advertisements, investor grievance redressal mechanism, dedicated email address.	Annually / Quarterly / Need basis	<ul style="list-style-type: none"> Updating on business STRATEGIES Review of Company's performance Grievance redressal
Regulatory Bodies	No	Compliance reports, email, personal meetings, calls etc.	Ongoing basis	<ul style="list-style-type: none"> Compliance with the law of the land
Supplier	No	Email communication, supplier grievance redressal mechanism	Ongoing basis	<ul style="list-style-type: none"> Query resolution & grievance redressal Timely payments of invoices

Leadership Indicators
1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We conduct periodic consultations with stakeholders on sustainability topics. Senior management receives formal notifications about the feedback from stakeholders, with a particular emphasis on economic, environmental, and social aspects. Board meetings serve as a platform to review the outcomes of these consultations.

Annexure 'F' to the Directors' Report

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, R Systems is unwavering in its commitment to consistently motivating and inspiring all internal and external stakeholders. Through concerted efforts in engaging with employees, clients, suppliers, partners, and surrounding communities, our collective objective is to build a more equitable and sustainable world through the enhanced application of technology. This ongoing and progressive journey towards realizing our Environmental, Social, and Governance (ESG) objectives remains a key focus, and we are currently in the process of developing a comprehensive ESG roadmap. Through these consultations with both internal and external stakeholders, we discerned the pressing needs of the times, leading us to formulate policies such as Corporate Social Responsibility (CSR) policy and Environment, Health & Safety policy. Since then, our commitment to CSR is an integral part of the ESG commitment, driving initiatives that positively impact society and the environment while aligning with our broader ESG goals. Moreover, it also reflects a holistic approach to creating lasting value for the communities we serve and R Systems. Similarly, EHS related policies of R Systems strive to achieve excellence in managing the environment, health, and safety in the areas of our operations.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company's CSR activities support underprivileged segments of society and aim to provide equitable opportunities for sustainable growth. We regularly monitor the progress of our initiatives and gather feedback from local communities through ongoing engagement across various channels. The active involvement of our implementing partners is crucial in shaping and executing our CSR programs, as it upholds trust and establishes a framework for positive socioeconomic outcomes in the communities we serve.



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 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (A)	No. of employees/ workers covered (B)	% (B / A)
Employees						
Permanent	2,933	2,933	100%	2,843	2,843	100%
Other than permanent	57	57	100%	31	31	100%
Total employee	2,990	2,990	100%	2,874	2,874	100%
Workers						
Permanent						
Other than permanent						
Total workers						

Note: Human rights awareness and training are integral parts of our employee induction at R Systems. Periodic sessions on topics like POSH etc. aim to sensitize our workforce. All relevant materials and policies are conveniently accessible on our intranet portal, ensuring constant availability for employees.

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

Category	Total (A)	FY 2024 (Current Financial Year)				Total (D)	FY 2023 (Previous Financial Year)			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/ A)	No.(C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	2,357	-	0%	2,357	100%	2,313	-	0%	2,313	100%
Female	576	-	0%	576	100%	512	-	0%	512	100%
Other than Permanent										
Male	50	-	0%	50	100%	27	-	0%	27	100%
Female	7	-	0%	7	100%	4	-	0%	4	100%
Workers										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

Not Applicable

Note: All employees, regardless of their employment status (permanent or non-permanent), are compensated above the legal minimum wage requirements of the countries in which we operate.

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary / wages of respective category (in INR)	Number	Median remuneration/ salary/ wages of respective category (in INR)
Board of Directors (BoD)	6	89,578,057	1	-
Key Managerial Personnel (KMP)	2	9,154,419	-	-
Employees other than BoD and KMP	2,354	1,872,588	576	1,177,032
Workers			NA	

Notes:

1. KMP excludes the Managing Director and Chief Executive Officer who is included in Board of Directors.
2. Non-Executive Directors and Independent Directors are not entitled to any fixed or monthly salary or other remuneration except sitting fees.

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

	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Gross wages paid to females as % of total wages	11.98%	12.83%

Note: The annual Cost to Company (CTC) has been considered and not actual payout during the year, which could vary on account of several reasons.

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, R Systems recognizes the critical importance of human rights in our business operations and actively manages potential impacts by continually implementing our Human Rights Policy. This commitment reflects our dedication to responsible business practices. The Human Resource Department at each location serves as the primary contact for addressing any human rights impacts

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or issues related to our business activities. This individual focuses on ensuring that we fully integrate human rights considerations into our operations.

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

We have introduced various effective mechanisms, including a Grievance Management System, an Internal Complaints Committee for POSH related complaints and a Whistle blower policy, to quickly address any issues raised within our organization.

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

	FY 2024 (Current Financial Year)			FY 2023 (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
Sexual harassment	-	-	-	-	-	-
Discrimination at Workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

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

Safety Incident/Number	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees/ workers	-	-
Complaints on POSH upheld	-	-

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

R Systems has implemented a Whistle Blower Policy and a POSH Policy to provide employees with a safe way to report concerns about misconduct, impropriety, abuse, or inappropriate behaviour. These policies ensure that individuals can raise issues early without fear of retaliation or discrimination. Confidentiality is strictly upheld to protect the identity of the whistleblower as much as legally possible. Multiple reporting channels are available for employees, customers, suppliers, and other stakeholders to express concerns or report violations of the Company's code, policies, or laws, including human rights violations. All reports are carefully reviewed, and appropriate actions are taken on verified violations within a set timeframe.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, human rights requirements form a part of R Systems' supplier and vendor business agreements and contracts as and where relevant. These aspects are covered under the Company's Human Rights Policy. Suppliers are obligated under contractual agreements to comply with the Company's sustainability policies outlined on the website under the policies section, thereby demonstrating their commitment to upholding human rights and ethical business practices.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	While the Company does not currently assess its offices on these specific criteria, workforce is obligated under contractual agreements to comply with Company policies, employee handbooks and the Human Rights Policy. This policy prioritizes healthy working conditions and upholds a zero-tolerance stance towards human rights violations, ensuring no human rights violation across the locations R Systems operates in.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	



11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not applicable as no such incidents were reported during the year 2024. The Company is committed to ensuring full compliance with statutory regulations, particularly concerning minimum wages, and strictly prohibits the employment of child labour/forced labour.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No significant changes to business processes have been made during the reporting period.

2. Details of the scope and coverage of any Human rights due diligence conducted.

R Systems maintains a zero-tolerance stance on human rights violations and complies with all government regulations, regulatory policies, and both global and local laws in the countries where it operates, supported by its comprehensive policies and standards.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, R Systems ensures that its infrastructure is accessible for all the employees. The Company's infrastructure for employees also extends to the visitors to the Company's facilities. The Company strives to provide a multifaceted infrastructure by providing differently abled people with access to wheelchairs, ramp facilities, and elevators to ensure ease in navigation within its premises.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	At R Systems, we prioritize well-being across our value chain partners. The Company has established a supplier code of conduct that provides a framework for suppliers in their interactions with us, encouraging them to adopt rigorous environmental, governance, and social practices in their operations.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others- please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

R Systems regularly conducts internal assessments to identify and mitigate risks, ensuring timely escalation of any issues. The Company is dedicated to full compliance with statutory regulations, particularly regarding minimum wage laws, and has a strict prohibition against child labour/forced labour, sexual harassment and discrimination at workplace.

Annexure 'F' to the Directors' Report

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 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	226.60 GJ	228.32 GJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	226.60 GJ	228.32 GJ
From non-renewable sources		
Total electricity consumption (D)	9,941.54 GJ	9,889.86 GJ
Total fuel consumption (E)	1,156.11 GJ	1,455.75 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	11,097.65 GJ	11,345.61 GJ
Total energy consumed (A+B+C+D+E+F)	11,324.25 GJ	11,573.93 GJ
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	12.42 GJ/Crore of Turnover	12.80 GJ/Crores of Turnover
Energy intensity per rupee of turnover (in crores) adjusted for Purchasing Power Parity (PPP)	3.25 GJ/Crore of Turnover adjusted for PPP	3.48 GJ/Crores of Turnover adjusted for PPP
Energy intensity in terms of physical output (Total Energy/Total Employees)	3.79 GJ	4.03 GJ
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note:

- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.
- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the Company is not covered under Performance, Achieve and Trade (PAT) Scheme of the Government of India.
- Provide details of the following disclosures related to water, in the following format**

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	8,673.97	7,650.69
(iii) Third party water	3,980.57	2,509.20
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater harvesting)	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	12,654.54	10,159.89
Total volume of water consumption (in kilolitres)	12,654.54	10,159.89
Water intensity per rupee of turnover (Total Water consumed / Revenue from operations)	13.89 KL / Crore of Turnover	11.24 KL / Crores of Turnover
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	3.63 KL / Crore of Turnover adjusted for PPP	3.06 KL / Crores of Turnover adjusted for PPP
*Water intensity in terms of physical output - per employee	4.23 KL	3.54 KL
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note:

1. The Company repurposes wastewater for gardening and washroom flushes in its Noida office and is in the process of monitoring the Water discharge in Company owned premises.
2. Figures of the financial year ended December 31, 2023 have been revised as per guidance prescribed in Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.
3. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

4. Provided the following details related to water discharged:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	-	-
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	-	-
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties	-	-
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	-	-
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	-	-

Note:

1. The Company repurposes wastewater for gardening and washroom flushes in our Noida office and is in the process of monitoring the Water discharge in Company owned premises.
2. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

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

Currently, R Systems has not implemented a mechanism for ZLD in any of our facilities. However, at the Noida office, the wastewater from the RO is repurposed for gardening and is re-used in the washroom.

Annexure 'F' to the Directors' Report

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

Parameter	Please specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	kg/Annum	31.56	23.03
SOx	kg/Annum	4.81	13.25
Particulate Matter (PM)	kg/Annum	8.86	77.37
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others- please specify	-	NA	NA

Note:

1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.
2. Data is specific to the Noida Office of the Company.

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

Parameter	Unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	504.98	656.93
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,977.41	1,919.27
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ Equivalent / Crores of Turnover	2.72	2.85
Total Scope 1 and Scope 2 emissions 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 CO ₂ Equivalent / Crores of Turnover adjusted for Purchasing Power Parity (PPP)	0.71	0.78
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	Metric tonnes of CO ₂ Equivalent / Total Employees	0.83	0.90
Total Scope 1 and Scope 2 emissions intensity (optional) – the relevant metric may be selected by the entity		-	-

Note:

1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

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

R Systems is committed to protecting our environment. As the Company is an IT/ITES company, there is no significant adverse impact as a result of our business activities. To support our commitment, we prioritize sustainability in our operations, striving for a positive impact on a global scale while taking measures that contribute to green initiatives as mentioned below:

1. Installation of LED lights & power saving equipment at all locations to reduce electricity consumption.
2. The air is conditioned with energy efficient compressors for central air conditioning and split air conditioning for localised areas.

3. Converted its Diesel generators to dual fuel-based generators at one of the facilities.
4. The Company's vehicles used for transportation are tested for emissions, from time to time.

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

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.88	0.20
E-waste (B)	3.86	0.55
Bio-medical waste (C)		-
Construction and demolition waste (D)		-
Battery waste (E)		4.68
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)- Used Oil (DG Black Oil)	0.35	0.48
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) (paper in current year and Iron, Paper, Cardboard, Aluminium, Wood etc. in previous year)	0.50	3.64
Total (A+B + C + D + E + F + G + H)	5.58	9.54
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0061 MT/Crores of Turnover	0.0106 MT/Crores of Turnover
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0016 MT/Crore of Turnover adjusted for PPP	0.0029 MT/Crores of Turnover adjusted for PPP
*Waste intensity in terms of physical output (Total waste generated/Total Employees)	0.0019	0.0033
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1.90	
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		-
(ii) Landfilling		3.84
(iii) Other disposal operations	3.68	-
Total	3.68	3.84

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

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company is in the business of IT and IT enabled services and these services barely use any material hazardous or toxic chemicals in any of its processes. The commitment to environmental protection is underscored by R Systems' ISO 27001:2022 certified E-Waste management policy, addressing electronic waste produced by electrical and electronic equipment.

The Company repurposes waste water for gardening and washroom flushes in its Noida office. R Systems continuously improves waste management processes and operations, emphasizing the conservation of natural resources and efficient waste management practices. Disposal is carried out in accordance with authorized agencies, ensuring responsible recycling and management of E-waste and hazardous items.

Annexure 'F' to the Directors' Report

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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None of the Company's offices are in/around ecologically sensitive areas

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public Domain (Yes / No)	Relevant Web Link
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The operations of the Company are not covered by the 2006 notification on Environmental Impact Assessment

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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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Yes, the Company abides by all relevant environmental laws, rules, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules.

Leadership Indicators

1. **Water withdrawal, of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Noida and Greater Noida
- Nature of operations: IT and IT enabled service
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	8,673.97	7,650.69
(iii) Third party water	125.73	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (In kilolitres)	8,799.70	7,650.69
Total volume of water consumption (In kilolitres)	8,799.70	7,650.69
Water intensity per rupee of turnover (Water consumed / turnover)	9.65 KL / Crore of revenue	8.46 KL / Crore of revenue
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note:

- The Company repurpose wastewater for gardening and washroom flushes in our Noida office and is in the process of monitoring the Water discharge in Company owned premises.

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Chennai
- Nature of operations: IT and IT enabled service
- Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	2,845.89	1,943.51
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (In kilolitres)	2,845.89	1,943.51
Total volume of water consumption (In kilolitres)	2,845.89	1,943.51
Water intensity per rupee of turnover (Water consumed / turnover)	3.12 KL/Crore of revenue	2.15 KL/ Crore of revenue
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-

Annexure 'F' to the Directors' Report

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note:

1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.
2. Figures of the financial year ended December 31, 2023 have been revised as per guidance prescribed in Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,669.36	4,558.66
Total Scope 3 emissions per rupee of turnover	tCO ₂ e/Crore of turnover	5.12 tCO ₂ e/Crore of turnover	5.04 tCO ₂ e/Crore of turnover
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note

1. Categories included in Scope 3 emissions computations: - C-1: Purchased Goods and Services, C-2: Capital Goods, C-3: Fuel and Energy related activities, C-5: Waste Generated, C-6: Business Travel, C-7: Employee Commute.
2. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the independent assessment has been carried out by Sustainability Actions Pvt. Ltd.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of initiative (Savings in Rs. Million)
1	Usage of LED Lights	Installation of LED lights & power saving equipment.	We are in the process of tracking the outcome of these initiatives.
2	Usage of energy efficient measures	The air is conditioned with energy efficient compressors for central air conditioning and with split air conditioning for localized areas.	
3	Usage of gas-based generators	Converted its diesel generators to dual fuel based generators.	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, R Systems implements a comprehensive Business Continuity and Disaster Management Plan focused on operational resilience. R Systems has adopted industry-standard security precautions such as verifying that there is no information leakage through test procedures, carrying out background checks and verifications, creating and maintaining data backups, and maintaining an adequate disaster recovery plan. We are proactively initiating business continuity practices to minimize the system failures and interruptions to business. This proactive approach minimizes downtime while maintaining critical business functions and protecting client interests during unforeseen events.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

As an IT/ITES company, our business operations do not have significant adverse effects, except for energy consumption and e-waste generation. To mitigate these impacts, R Systems mandates that its suppliers adhere to a supplier's code of conduct, which outlines essential environmental, health, and safety standards that should be followed.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Presently, we are not assessing the value chain partners for environmental impacts. Going forward, we are planning to initiate this environmental impact assessment for our suppliers and include it in our policy.



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

Essential Indicators

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

The Company is affiliated with two trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	National Association of Software and Service Companies (NASSCOM)	National
2	Export Promotion Council for EOUs & SEZ	National

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

Name of authority	Brief of the case	Corrective action taken
Not applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
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The Company does not engage in advocacy for or against any policies. However, our active participation in trade and industry associations enables us to stay informed about industry developments, contribute to policy discussions, and spark collaboration within the business community.

Annexure 'F' to the Directors' Report

PRINCIPLE 8:

Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not applicable

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Not applicable. The operations of the Company have not displaced any population or their livelihoods. Hence, no R&R activities are carried out.

- Describe the mechanisms to receive and redress grievances of the community.

R Systems' CSR policy aims to create a meaningful and positive impact on the communities where it operates. The organization actively engages with inclusion projects at the ground level, with direct involvement from senior management. To ensure effective grievance redressal, feedback is continuously assessed, monitored, and gathered through appropriate channels. Beneficiaries have ample opportunities to voice their concerns, and periodic meetings between R Systems and its implementation partners help in evaluating project performance and addressing any arising issues. Furthermore, the Company nurtures an environment of openness and accountability, encouraging community members to express their concerns freely.

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

We strive to uphold a strong and healthy relationship with all our service providers, vendors and other suppliers by procuring goods and services from local supply chain partners which includes mid-size and small-scale industries who meets our quality, delivery, cost and technology expectations.

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	15.40%	6.83%
Sourced directly from within India*	83.21%	68.72%

*Including MSME vendors.

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

Location	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	Nil	Nil
Metropolitan	100%	100%

(Place to be categorized as per RBI Classification System – rural/ semi-urban/ urban/ metropolitan)

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
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Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
None			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No, R systems does not have a preferential Procurement Policy.

- (b) From which marginalised / vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

S. No.	Name of authority	Brief of the Case	Corrective action taken
Not applicable			

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Indian Institute of Technology, Delhi	Refer Note 1	Refer Note 1
2	Aatmaja Foundation	64	100%
3	SankalpTaru Foundation	Refer Note 2	Refer Note 2
4	PARAS India- Silai School	253*	100 %
5	PARAS India- Nand Basti	180	100%
6	Direct (with Army Public School)	10	100%
7	Pratham Foundation	75	100%
8	Green Yatra Foundation	Refer Note 2	Refer Note 2
9	Missionaries of Charity	30 (approx)	100%

*Direct and Indirect Beneficiaries.

Note:

- R Systems has established a Center of Excellence (CoE) on Applied AI for Sustainable Systems at IIT Delhi, designed to advance research and innovation in artificial intelligence. This initiative encompasses the development of a state-of-the-art research laboratory, the appointment of an endowed faculty chair, and the introduction of merit-based scholarships for students. By nurturing collaboration between industry and academia, the CoE aims to bridge the gap between AI research and its practical applications, driving impactful solutions in sustainable systems.
- Partnering with Green Yatra and SankalpTaru Foundation, the Company has planted 5,000 saplings to absorb carbon dioxide from the air and enhance soil health. This urban plantation will also offer a green space for local communities, promoting environmental awareness.

Annexure 'F' to the Directors' Report

PRINCIPLE 9:

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

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

R Systems has a well-defined mechanism for receiving and addressing consumer complaints and feedback, ensuring a seamless resolution process. Dedicated account and client engagement managers oversee grievance handling, following predefined escalation procedures outlined in client contracts.

Feedback is actively gathered through multiple channels, including email, phone, and in-person visits, allowing us to identify concerns and anticipate future needs. Our customer satisfaction surveys provide valuable insights into service quality, delivery timelines, communication effectiveness, technical expertise, and complaint resolution, guiding continuous improvement efforts.

Additionally, our website's 'Contact Us' section serves as a direct platform for clients to share feedback and requests. Upon receiving complaints or suggestions, we swiftly implement corrective actions, reinforcing our commitment to customer satisfaction and ongoing service enhancements.

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

CSR Project	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not tracked, as it is not relevant to
Safe and responsible usage	the nature of our business operations
Recycling and/or safe disposal	and the services we offer.

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

	FY 2024			FY 2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-		-	-	
Advertising	-	-		-	-	
Cyber-security	-	-		-	-	
Delivery of essential services	-	-	NA	-	-	NA
Restrictive Trade practices	-	-		-	-	
Unfair Trade Practices	-	-		-	-	
Others	-	-		-	-	

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

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		Not Applicable, due to the nature of our business

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

Yes, R Systems prioritizes information security and data privacy, implementing stringent safeguards to protect both internal and client data. Our commitment is demonstrated through our Information Security Management Systems (ISMS), which align with ISO 27001:2022 standards.

Our detailed data privacy policy, available at <https://www.rsystems.com/privacy/>, reflects our dedication to safeguarding personal and confidential information throughout client engagements. With multi-tiered security measures, we ensure IT compliance, proactively support business continuity, and minimize disruptions, maintaining confidentiality, integrity, and availability of sensitive data for seamless service delivery.

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

Not applicable, as there were no instances recorded during FY 2024 relating to advertising, and delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact.** Nil
- b. Percentage of data breaches involving personally identifiable information of customers** Nil
- c. Impact, if any, of the data breaches** Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

R Systems is a leading digital product engineering company, specializing in the creation and development of chip-to-cloud software products, platforms, and customized digital experiences. With expertise in automation and integration—encompassing Robotic Process Automation (RPA) and no-code/low-code solutions—we empower enterprises across various industries to achieve their strategic objectives. Our commitment includes supporting businesses in digitizing their value chains and implementing intelligent automation. All services and offerings are available on our official website: at www.rsystems.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable to the nature of our business.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

R Systems has established a systematic business continuity framework to minimize potential disruptions or discontinuation of essential services. Our approach integrates industry-standard security protocols, including rigorous testing to prevent data breaches, infrastructure redundancy, thorough background verification processes, regular data backups, and robust incident response strategies. Additionally, our disaster recovery and business continuity plans ensure proactive communication and readiness to inform consumers of any risks affecting service continuity.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The display of product information on the product is not applicable to our business operations.

R Systems prioritizes customer satisfaction by conducting annual surveys to evaluate the effectiveness of our services. These surveys focus on key performance indicators such as service quality, adherence to timelines, communication efficiency, technical expertise, and responsiveness to feedback and complaints. This continuous assessment helps us enhance our service offerings and align them with client expectations.

On behalf of the Board

For **R Systems International Limited**

Ruchica Gupta

(DIN: 06912329)

(Chairperson & Non-Executive Independent Director)

Place: Delhi

Date: May 08, 2025

Nitesh Bansal

(DIN: 10170738)

(Managing Director & Chief Executive Officer)

Place: Frisco TX, USA

Date: May 08, 2025

Annexure 'G' to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2024

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

To,
The Members of
R SYSTEMS INTERNATIONAL LIMITED
(CIN: L74899DL1993PLC053579)
GF-1-A, 6, Devika Tower, Nehru Place,
New Delhi - 110019

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

We report that:

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also

the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December, 2024 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not applicable to the Company during the Audit Period**)



- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **(Not applicable to the Company during the Audit Period)**;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/ Industry are:
 - (a) The Information Technology Act, 2000 and Rules made thereunder;
 - (b) Policy relating to Software Technology Parks of India and its regulations;
 - (c) Foreign Trade Policy as formulated under the Foreign Trade (Development and Regulation) Act, 1992 and Rules made thereunder;
 - (d) The Special Economic Zones Act, 2005 and Rules made thereunder.

We have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India; and

- (ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We have checked the Compliance Management System of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the Compliance Management System of the Company seems adequate to ensure compliance of above-mentioned specific laws applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including the Woman Director. No changes in the composition of the Board of Directors took place during the Audit Period.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except meetings convened at a shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Annexure 'G' to the Directors' Report

We further report that during the audit period:

- Subject to the necessary approvals from shareholders, creditors, National Stock Exchange of India Limited and BSE Limited ("Stock Exchanges"), the National Company Law Tribunal, and other relevant authorities, the Board of the Company, at its meeting held on September 11, 2024, approved the Composite Scheme of Amalgamation of Velotio Technologies Private Limited and Scaleworx Technologies Private Limited with the Company under Sections 230 to 232 and other applicable provisions of the Act. The Scheme has been filed with the stock exchanges and is currently awaiting their approval.
- The Company has declared two interim dividends of ₹ 6.00 per equity share and ₹ 6.50 per equity share on March 19,

2024 and November 08, 2024, respectively. The said interim dividends have been paid to shareholders on April 12, 2024 and December 5, 2024, respectively.

- Subsequent to the year ended December 31, 2024, the Company has allotted 68,506 equity shares on January 17, 2025, upon exercise of 68,506 Restricted Stock Units(s) under the R Systems International Limited Management Incentive Plan 2023.
- Subsequent to the year ended December 31, 2024, the members of the Company approved the adoption of a new set of Articles of Association via Postal Ballot on January 27, 2025.

For **DPV & Associates LLP**

Company Secretaries

Firm Reg. No.: L2021HR009500

Peer Review Certificate No. 6189/2024

Devesh Kumar Vasisht

Managing Partner

CP No.:13700 / Mem. No. F8488

UDIN: F008488F003932091

Date: February 13, 2025

Place: Faridabad

Annexure 'H' to the Directors Report

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
	Nil	Nil	Nil	Nil	Nil	Nil

Note:

- 1 The aforesaid disclosure is based on the materiality threshold defined in Policy for related party transactions.
- 2 For details of other related party transaction, please refer note No. 35 of the Standalone financial statements.

On Behalf of the Board

For R Systems International Limited

Ruchica Gupta

(DIN: 06912329)

(Chairperson & Non- Executive Independent Director)

Place: Delhi

Date: May 08, 2025

Nitesh Bansal

(DIN: 10170738)

(Managing Director & Chief Executive Officer)

Place: Frisco TX, USA

Date: May 08, 2025

Annexure 'I' to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2024

1. A brief outline of the Company's CSR policy

To support and endeavor to bring about positive difference to communities where we exist. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build R Systems International Limited into an organization which maximizes Stakeholders Value. The Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers and other stakeholders.

2. Composition of the CSR Committee (As on December 31, 2024)

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Amit Dalmia	(Non-Executive Director)- Chairman	2	2
2	Mr. Animesh Agrawal	(Non-Executive Director)- Member	2	-
3	Mr. Kapil Dhameja	(Non-Executive Independent Director) -Member	2	2

3. The web-link where Composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the Company: <https://www.rsystems.com/investors-info/corporate-governance/>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not applicable for the financial year ended on December 31, 2024.

5(a)	Average net profit of the company as per sub-section (5) of section 135.	₹ 1,617,750,172/-
5(b)	Two percent of average net profit of the Company as per sub-section (5) of section 135.	₹ 32,355,003/-
5(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
5(d)	Amount required to be set off for the financial year, if any	Nil
5(e)	Total CSR obligation for the financial year (5b+5c-5d).	₹ 32,355,003/-
6(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹ 32,355,071/-
6(b)	Amount spent in Administrative Overheads.	Nil
6(c)	Amount spent on Impact Assessment, if applicable.	Nil
6(d)	Total amount spent for the Financial Year [6(a)+6(b)+6(c)]	₹ 32,355,071/-
6(e)	CSR amount spent or unspent for the Financial Year:	

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)					
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.			Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer	
₹ 32,355,071/-	Nil			Nil		

6(f) Excess amount for set-off, if any:

S. No.	Particulars	Amount
1	Two percent of average net profit of the Company as per Section 135(5)	₹ 32,355,003/-
2	Total amount spent for the financial year	₹ 32,355,071/-
3	Excess amount spent for the financial year [(2)-(1)]	₹ 68/-
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(3)-(4)]	₹ 68/-*

*The Company does not intend to set off the excess amount spent in succeeding years.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Amount (in ₹)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of transfer		
1	December 31, 2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	December 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	December 31, 2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes () No (✓)

If yes, enter the number of capital assets created/acquired: **Not Applicable**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

Not Applicable

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5).

Not Applicable

Mr. Nitesh Bansal

(Managing Director & Chief Executive Officer)

(DIN: 10170738)

Place: Frisco TX, USA

Date: May 08, 2025

Mr. Amit Dalmia

(Non-Executive Director & Chairman of CSR Committee)

(DIN: 05313886)

Place: Gurugram

Date: May 08, 2025

Risk Management Report

The Management cautions readers that the risks outlined in this report are not exhaustive, are for information purposes only and may contain forward looking statements, the results of which may differ materially from those reflected. Investors and readers are requested to exercise their own judgment in assessing various risks associated with the Company.

OVERVIEW

Risk Management is a dynamic process which should constantly be able to identify all the emerging risks and propose solutions to manage them. The risk perception also constantly varies depending on the size of the business, business segment, location, scale of business. The essence of risk management strategy at R Systems International Limited ("R Systems"/ "Company") lies in maximising areas of control over outcome and minimising areas where the Company has no control over outcome. R Systems recognizes that business conditions are constantly changing, evolving, and entering into cycles. Following is the model adopted by the Company for managing risk:



ENTERPRISE RISK MANAGEMENT STRUCTURE

Risk management is an integral part of the charter of the Board of Directors at R Systems. The Board has constituted the Risk Management Committee which is entrusted with the responsibility of monitoring risk levels on various parameters and to suggest measures to address the same. The day to day management of the risk is entrusted to the management team of R Systems. Based on the philosophy of "No risks, No rewards", our management continuously keeps monitoring the level of our existence on the path of growth and within R Systems management structure, certain personnel are designated with responsibility of managing risks including ensuring compliance with laws, rules and regulations with the assistance of both internal and external resources. Further, formal reporting,

escalation of risk events and control mechanisms ensure timely communication, response and proactive management of the risks.

RISK MANAGEMENT AT R SYSTEMS

1. Customer Concentration

R Systems revenues are dependent to a considerable extent upon relationships with a limited number of customers and retaining those customers. The percentage of total consolidated revenues during fiscal year 2024 and 2023 that R Systems derived from contracts with its top line customers is as follow:

Customer	Year Ended	
	December 31, 2024	December 31, 2023
Top 10	22.74%	23.70%
Top 5	15.07%	16.87%
Top 3	10.92%	12.73%
The Largest Customer	5.57%	6.55%

Concentration of revenues from a limited number of customers deepens our relationship with those customers but at the same time imposes a risk of dependence. Customer's vendor management strategies and business risks radiate on to R Systems through fluctuations in utilization, pricing for services and service level demands. All these factors could potentially impact revenues and profitability of R Systems.

INITIATIVES: The business model and strategy followed by R Systems involves serving the customers in a manner that they get measurable tangible benefits. When customers see value in the services/solutions that R Systems provides, we believe that customer's relationship can be nurtured into the long term. Further, with our proactive strategy of adding new customers, we attempt to reduce our dependency on a smaller number of customer relationships.

2. Geographical Concentration

R Systems has traditionally derived most of its revenues from the North America, given the technology focus and specialized outsourced product development services offered by it. The geographic break-up of the revenue is given below:

Revenues by Geographies	Year Ended	
	December 31, 2024	December 31, 2023
North America	74.24%	73.99%
Europe	8.91%	10.05%
Southeast Asia	13.33%	12.78%
India	2.35%	1.88%
Others	1.17%	1.30%
Total	100.00%	100.00%

INITIATIVES: In order to mitigate the risk of geographical concentration, R Systems has stepped up its business activities in other geographic areas like Europe, South East Asia etc.

3. Risks Associated with Fixed Price Contracts

Under our product engineering and digital offerings most of our assignments are on the basis of time and material task orders, some proportion of the services provided by us is in the nature of fixed bid assignments. Under fixed bid assignments, in the event of cost overruns, our profitability will be adversely affected.

INITIATIVES: We have our internal processes to ensure accuracy in the estimation of the time required to execute fixed price projects, and processes to implement and monitor the progress of such projects. Further, the experience gained from such projects is also used for new projects. However, given the very nature of the fixed price projects, cost overruns and delayed deliveries cannot be ruled out.

4. Competition

The IT & ITES sector is a highly competitive sector. Our competitors include IT outsourcing firms in India as well as in other countries, national and multinational consulting and technology firms, Indian IT services firms, software firms and in-house IT departments of large companies. The competition in the IT industry is very intense and our competitors are aggressive in winning new business and customers that may drive a harder bargain.

INITIATIVES: We believe that R Systems is well positioned and enjoys following competitive advantages:

- Experience in providing end-to-end solutions and services to customers;
- Best practices, tools and methodologies for flawless execution;
- Investment in processes, talent and methodologies;
- Strong customer franchise consisting of large and mid-sized corporations;
- Strong financial position;
- Proven global delivery model;
- Our vertical focus for services and solutions;
- Industry best human resource practices to attract, develop, deploy and retain talent.

5. Disaster Prevention and Recovery

The IT industry is very sensitive to security risk and a real or perceived threat of a risk to the security and integrity of information available to us may adversely affect

customer perception, give rise to litigation and reduce our customer base, thereby negatively affecting R Systems revenues and profit margins. The contracts entered into by R Systems typically hold us solely responsible for maintaining satisfactory standards of personnel competency, conduct and integrity and for taking required disciplinary action.

R Systems may be vulnerable to risks due to natural or manmade calamities / disasters which may impact business operations, inflicting heavy economic losses and risk to employee safety.

INITIATIVES: R Systems has adopted industry-standard security precautions such as ensuring that our employees and strategic partners enter into non-disclosure and confidentiality agreements with us, verifying that there is no information leakage through test procedures, carrying out background checks and verifications, creating and maintaining data backups, and maintaining an adequate disaster recovery plan.

R Systems makes continual investments in organisation behaviour and management processes to ensure that these certified industry standards are continually adhered to.

During the year 2024, Noida IT as well as Digital Operations Division have underwent recertification audit for ISO 27001, assessment for SOC2, Type 2 and the IT division has been successfully appraised for CMMI L5. As of the date of this report, Noida IT division and Digital Operations Division are ISO 9001:2015, ISO 27001:2022 and HITRUST Certified. Additionally, the IT Division holds CMMI L5 (ver 3.0) certification, while the Digital Operations Division maintains PCI-DSS (ver 4.0) certification for its IT Infrastructure and relevant projects, processes, and applications.

The continuing compliance with these standards demonstrates the rigor of R Systems processes and differentiates us to keep our competitive edge in service and product offerings.

Further, our distributed offshore and near shore infrastructure is seamlessly connected through a strong infrastructure design and appropriate bandwidth, work from home facility for employees that provides us the capability to initiate and maintain uninterrupted support across the world. Although the Company cannot avoid such risk that could impact the entire Industry, the Company has taken appropriate insurance cover for hazard events.

6. Talent Acquisition & Retention

The IT and BPO sector is highly competitive in terms of hiring strategy and incentives.

R Systems is highly dependent on its employees at various levels of the organisation to provide leadership, manage the

Risk Management Report

business, to provide services and execute complex projects for the clients. These skilled professionals are in high demand by other organisations and if R Systems is unable to attract and retain the skilled people, it will affect R Systems ability to grow and provide services to its customers.

INITIATIVES: At R Systems, we follow industry best human resource practices to attract, develop, deploy and retain talent. The Company is committed to develop and innovate such programmes that motivates them and develop their potential and also inculcate leadership attributes of the employees, which helps us to retain the best talent in the industry.

7. Key Managerial Role & Succession Planning

Succession planning is one of the most critical functions of an organization. This is the process that identifies the critical and core roles of an organization and identifies and assesses the suitable candidates for the same. The process ramps up potential candidates with appropriate skills and experiences in an effort to train them to handle future responsibilities in their respective roles. Succession planning is applicable for all critical roles in any organization. The upper management of each practice or department is responsible for coming up with a suitable succession plan for each core position under his or her department.

INITIATIVES: R Systems has implemented a comprehensive and clearly defined Succession Planning policy. This policy encompasses all key roles within the organization, as determined by the Senior Management. Mission-critical positions include the Chief Executive Officer and the Senior Management Team comprising Vice Presidents, and other roles essential for the continuity of business operations. Succession planning at R Systems is conducted at least annually, coinciding with the annual performance appraisal cycle.

Further, the Company maintains extensive recruitment teams across its operational markets to continuously attract skilled personnel at various organizational levels. Additionally, R Systems implements a rigorous training program for entry-level professionals, aimed at developing the next generation of managers and leaders. The Company employs modern HR practices, offering competitive compensation and benefits packages, as well as an engaging work environment to attract and retain talent. To mitigate the impact of attrition on service continuity for clients, R Systems utilizes its proprietary processes and methodologies that enable project teams to seamlessly share knowledge and collaborate on project.

8. Technological Obsolescence

Technological obsolescence poses significant risks to IT organizations, including heightened security vulnerabilities, operational inefficiencies, and potential financial penalties. Mitigation strategies emphasize proactive risk management

through continuous innovation, strategic adaptability, and the cultivation of ecosystem partnerships.

INITIATIVES: The IT and ITES sector is marked by rapid technological advancements, the evolution of existing products, and the introduction of new technologies. To keep pace with these developments, we continuously enhance our competencies in the latest technologies to deliver state-of-the-art products and solutions for our customers.

Additionally, R Systems regularly recruits, trains, and nurtures domain and market specialists. We continuously evaluate opportunities to expand our portfolio of technology alliances and partnerships to enhance our offerings.

9. Acquisitions

R Systems' growth strategy involves future strategic acquisitions, partnerships and exploration of mutual interests with other parties. These future acquisitions may not contribute to our profitability, and we may be required to incur or assume debt, or assume contingent liabilities, as part of any acquisition. We could have difficulty in assimilating the personnel, operations, software assets and technology of the acquired company. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses.

INITIATIVES: R Systems will remain sharply focused on those acquisitions and partnerships that add to the competitive strengths of our business. Specific transactions are evaluated in detail with experienced internal personnel and external advisors, wherever relevant, before consummating any transaction. Deal teams conduct technical, operational, marketing due diligence and build detailed financial model to evaluate the risks and benefits of any transaction. Further, contractual agreements are negotiated with the advice of legal counsel to protect Company's interests.

10. Credit Risk

As a matter of business practice, the payment collection process may extend over a period of time. Customers budgeting constraints can impact their ability to make the required payments. In addition, the creditworthiness of our clients may deteriorate and we can be adversely affected by bankruptcies or other business failures of our customers.

INITIATIVES: R Systems' credit terms are standard and there is rigorous process in following up with customers for payments as and when the invoices fall due for payment. The Company has suitably streamlined its processes to develop a more focused and aggressive receivables management systems to ensure timely collections as a result of the global liquidity crunch.

11. Foreign Currency Rate Fluctuations

Managing an equilibrium state in the light of the unfavourable movements in exchange rates involved in earnings and expenditure in foreign currency continues to be one of the

challenges when exposed to global markets. A significantly large percentage of R Systems consolidated revenues are either foreign currency denominated or derived from export earnings. Whereas a major portion of R Systems expenses in India are incurred in Indian Rupees. As a result, operating profits will be highly impacted by foreign currency rate fluctuations. While depreciation of the Indian Rupee would have a favourable bottom-line impact, an appreciation would affect R Systems profitability adversely.

INITIATIVES: R Systems cannot directly influence exchange rates, it is incumbent upon management to follow a well thought out policy to hedge the risk associated with foreign currency without taking speculative positions. R Systems attempts to minimize currency fluctuation risks on export earnings by taking forward covers on Rupee - USD/EURO exchange rate based on anticipated revenues and debtors at periodic intervals. R Systems has laid down appropriate policies and processes for the use of financial derivative instruments consistent with its risk management strategy. The Company does not use the foreign exchange forward contracts for trading or speculation purposes.

12. Inflation and Cost Structure

R Systems' cost structure consists of salary and other compensation expenses, overseas travel, and other general selling and administrative costs. Rapid economic development in India and increasing demand for global delivery may have a significant impact on these costs and the rate of inflation as relevant to the IT & ITES services industry. This is compounded by the fact that overseas competitors may treat their India strategy as a cost centre and develop the same regardless of the cost incurred and its impact on their profitability.

INITIATIVES: R Systems' major costs are salary and benefit cost that it incurs on employees. These costs may have a tendency to escalate faster than the rate of inflation because of the demand for skilled and experienced professionals. R Systems attempts to mitigate the risks associated with wage inflation by obtaining increased price from clients, increasing bench mark prices for new business, enhancing productivity, increasing utilisation and inducting fresh graduates and training them. Further, R Systems has implemented robust processes and information systems to enable personnel to make the right decisions for revenue realisation and cost optimisation to minimise the risks of changes in salary cost structure.





13. Intellectual Property Rights

As a part of R Systems' business, there are risks associated with intellectual property of the Company, intellectual property of R Systems' customers who may be end users or even the intellectual property of the end user.

INITIATIVES: R Systems' information security arrangements are managed under international standard ISO 27001: 2022 series and are being audited by both internal and experts from third parties assessors who periodically audit and certify R Systems compliance

We have registered the following marks and their corresponding words as R Systems' trademarks:

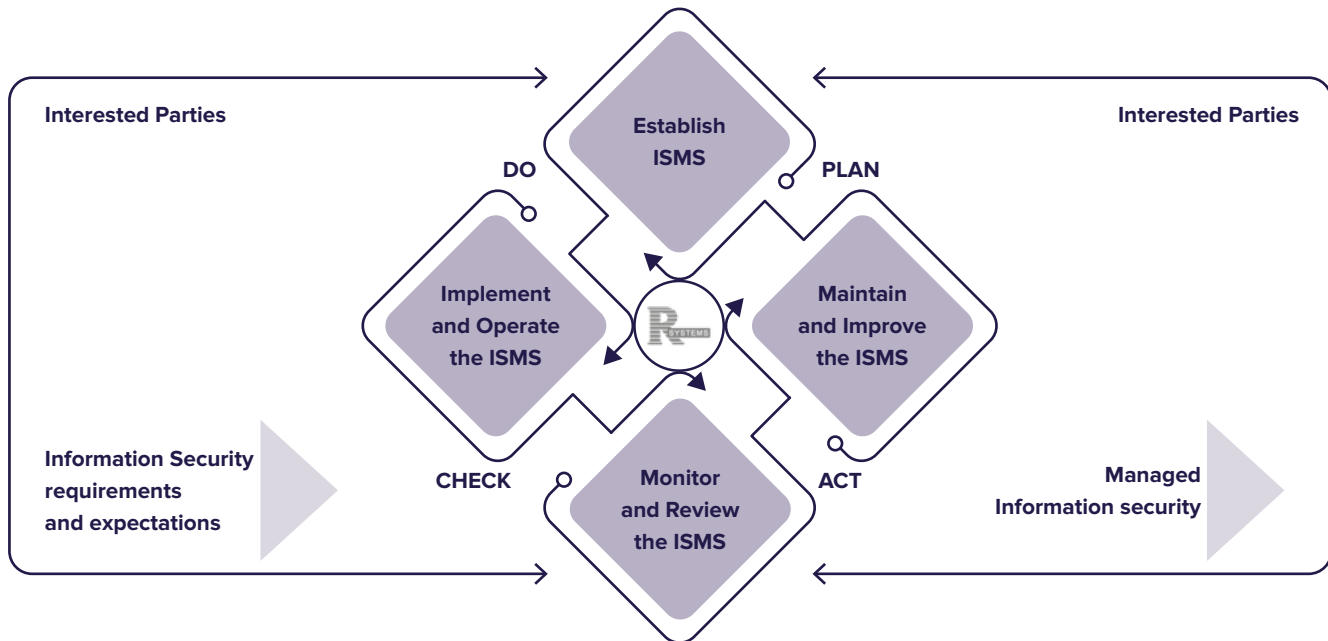


The Company has registered the word "R SYSTEMS" and logo  and  as trademark under relevant classes with the Registrar in India. The Company has also registered the Word Mark "RSYSTEMS" in USA and Logo  in USA and Europe. Further, Velotio Technologies Private Limited, subsidiary of the Company, has registered the logo  under relevant class with the Registrar in India.

14. Information Security Management

R Systems being an IT and Software service provider company focusses on maintaining the confidentiality, integrity and availability of business data and information to the exclusive but optimum use for the accomplishment of organizational objective. The task of maintaining the confidentiality of business data and information not only faces threat from outside the organization but also within the organization where the business data and information are put to use.

INITIATIVES: For ensuring the effectiveness of Information security, it is important that information security can be effective only if it is addressed at people, process and technology levels and is integrated in the way an organization operates. R Systems has established, documented and implemented Information Security Management Systems (ISMS) and shall continually improve its effectiveness in accordance with requirements of ISO 27001:2022, SOC2 Type 2 and HITRUST. The approach applied to the ISMS is given in Figure below:



R Systems security policy provides a framework for protecting confidentiality, integrity and ensuring availability of organization's Information assets to the authorized persons. This is to safeguard the interest of customer, business continuity and continual improvement of ISMS at R Systems. The security policy of R Systems has been designed to safeguard the risk associated with information security management.

15. Contractual Risk

The primary contractual risks that R Systems faces pertain to obligations of R Systems to provide services with full adherence to contracted terms of quality, time deadlines, output per hour, protection of confidential information, protection of intellectual property rights, patents and copyrights. R Systems has a rigorous process to evaluate the legal risks involved in a contract, ascertains its legal responsibilities under the applicable law of the contract and tries to restrict its liabilities to the maximum extent possible.

INITIATIVES: R Systems attempts to protect itself with "no consequential losses" and "maximum liability" clauses. R Systems also ensures that risks are protected through various insurances like professional liability, workers compensation, directors' and officers' liability, cyber & crime insurance. The Company's past record in this regard has been good and there has been no significant damages awarded against the Company that has resulted in material adverse impact on our financial position.

R Systems also has an escalation process to immediately involve senior management personnel in case R Systems customers or contractors make any assertion of breach of contract.

R Systems has employed professionals with adequate legal expertise who plays handy role in finalizing the various terms under written contracts on behalf of the Company. The experience gained from past contracts and transaction entered into by the Company are also analysed and implemented for the new contracts envisaged by the Company. As a matter of practice depending upon the criticality of the transactions, contractual agreements are well discussed within the organization in coordination with technical team as well legal professionals and are also negotiated with the advice of legal counsel to protect Company's interests.

16. Execution Risk

R Systems clients are Tech and Independent Software Vendors and companies from Healthcare, Manufacturing and Logistics, Telecom, Media, and Entertainment, Banking and Financial Services and Retail and Hospitality Sectors. These clients need high quality and timely delivery of services with very stringent services level agreements. Any failure in delivery, quality, meeting service level bench agreements, product features and functionalities could adversely affect R Systems relationship with its clients, which could potentially impact R Systems revenues and profitability.

INITIATIVES: R Systems has continuously invested in processes, people, training, information systems, quality standards, frameworks, tools and methodologies to mitigate the risks associated with execution of projects. Adoption of quality models and practices such as ISO, Capability Maturity Model (CMM) and HITRUST have ensured that risks are identified and mitigated at various levels in the planning and execution process. Further, senior management personnel,

project managers and process leaders are entrusted with the responsibility to meet the project and service level expectations on various engagements. Planned intervention and escalation systems are further deployed to minimise risks.

17. Directors' and Officers' Liability Risks

The directors and officers of R Systems are required to take material decisions in the best interest of the Company. Such decisions might result in errors and omissions and R Systems might be sued by the other counterpart.

INITIATIVES: To mitigate this risk, the directors and officers take legal and expert advice when required and have taken various insurance policies outlined earlier including professional liability and directors' and officers' liability insurance. The Company attempts to limit its contractual liability for damages arising from negligent acts, errors, mistakes or omissions by directors and officers in rendering services, there can be no assurance that the limitations of liability set forth in its service contracts will be enforceable in all instances or will otherwise protect the Company from liability for damages. Though the Company maintains general liability insurance coverage, including coverage for errors or omissions, going forward, there can be no assurance that such coverage will be available on reasonable terms and in sufficient amount to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. The successful assertion of one or more large claims against the Company could adversely affect the Company's results of operations and financial condition.

18. Visa Regulations / Restrictions

Several overseas employees of R Systems are Indian nationals. The ability of R Systems to render its services in the US, Europe and other countries depends on the ability to obtain visas and work permits. Immigration to US, Europe and other countries are subject to legislative changes as well as variations in standards of application and enforcement due to political forces and economic conditions for example, any major change in immigration policy of USA may put the challenge to Indian IT Companies. It is difficult to predict the political and economic events that could affect immigrations laws or the restrictive impact they could have on obtaining or monitoring work visas. The reliance on visas makes R Systems vulnerable to such changes and variations as it affects the ability of the Company to staff projects with employees who are not citizens of the country where the work is to be performed. As a result, R Systems may not be able to get a sufficient number of visas for employees or may encounter delays or additional costs all of which may affect profitability.

INITIATIVES: R Systems monitors the status of visa availability and requirements on a regular basis in consultation with external legal counsel. In house legal personnel are entrusted with the responsibility for compliance with the immigrations laws which is validated by periodic independent audit. R Systems may expand its business in other geographies to de-risk from US business meanwhile it may boost US

hiring. R Systems may look forward to change its business models so that it can deliver from different locations globally through innovation.

19. Environmental, Social and Governance (ESG) Risks

ESG Risks are those concerns arising from Environmental, Social and Governance factors that are likely to affect the financial situation or operating performance of a company. The environmental aspect focuses on how the business minimises its impact on the environment. The social aspect focuses on how a business impacts wider society and workplace culture. Governance refers to business's ethical behaviour and its transparency with stakeholders about its activities. These factors have a significant impact on a Company's long-term sustainability, profitability and reputation of the Company.

INITIATIVES: The Company is cautious of the impact of its operation on the environment and society as well. The Company is diligently integrating good environmental, social and governance practices into its policies and operations. Though your Company does not have energy intensive operation, every possible endeavour has been made for optimal usage of energy and resources.

The Company promotes a safe and healthy working environment, ensuring equal opportunities, respects human rights and fair treatment for all employees. The Company also expects all its employees, consultants, independent contractors and suppliers to observe these practices. As a responsible Corporate Citizen, the Company engages with the Community through its Corporate Social Responsibility initiatives.

The Company ensures a transparent and effective communication with its stakeholders, fostering a diverse and balanced board structure, inculcating anti-corruption policies, and establishing fair and reasonable executive compensation.

R Systems has a compliance management system with qualified managers entrusted with compliance of various laws including the listing laws and regulations applicable to public companies in India. The Company uses independent legal counsel to advise the Company on compliance issues with respect to the laws of various countries in which the Company has its business activities and to ensure that it is not in violation of the laws applicable.

Details of policies and action taken to address the ESG Risk are covered in Business, Responsibility and sustainability Report as forms Part of Directors' Report.

20. Political Risk

The Government of India has been favourably disposed towards the IT and BPO industry in India. Further, we operate in multiple countries of which the US is a major market. While most governments in the countries where we operate are in favor of free trade, we cannot be immune to changes in policies that may discourage off-shoring to protect local employment.

Standalone



Financial Statements

Independent Auditor's Report

To The Members of **R Systems International Limited** **Report on the Audit of the Standalone Financial Statements**

Opinion

We have audited the accompanying standalone financial statements of **R Systems International Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31 December, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended on that date, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report including Annexures to Board's Report, but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon.

The Board report is 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 will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board report, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably

knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 December, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31 December, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - 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.
 - 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, 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31 December, 2024 wherein:
- a. One accounting software has a feature of recording audit trail (edit log) facility and the same has operated at the application level throughout the year for all relevant transactions recorded in the software; the audit trail feature was not enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with, and;
 - b. Two software, used to maintain payroll and revenue records, did not have audit trail feature.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from financial year commencing on or after 1 April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 December, 2024.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

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

Jitendra Agarwal

Partner

Place: Gurugram

Date: 13 February, 2025

(Membership No. 087104)

UDIN: 25087104BMJGT6195

Annexure “A” to The Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of R Systems International Limited (“the Company”) as of 31 December, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to

standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of 31 December, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

Jitendra Agarwal

Partner

(Membership No. 087104)

UDIN: 25087104BMJGTY6195

Place: Gurugram

Date: 13 February, 2025

Annexure “B” to The Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- 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, so to cover all the items once every 2 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 all Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed and municipal records provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 December, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The quarterly statements filed by the Company with such banks are in agreement with the books of account of the Company of the respective quarters.
- (iii) The Company has made investment in another company during the year. Further, the Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.
- (b) The investment made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(c), (d), (e) and (f) of the Order is not applicable.
- (iv) The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made, as applicable. Further, the Company has not granted any loans or provided guarantees or securities that are covered under provisions of Section 185 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employee State Insurance, Income Tax, Goods and Service Tax and other material statutory dues as applicable to it to the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Provident Fund, Employee State Insurance, Income Tax, Goods and Service Tax and other material statutory dues in arrears as at 31 December, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues of Income Tax which have not been deposited as on 31 December, 2024 on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount of demand* (in INR million)	Amount unpaid (in INR million)
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeals), New Delhi	AY 2018-19	33.80	27.25

* As per demand order.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The term loans availed by the Company during the year were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or fully, partly and optionally convertible debentures and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) The Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports, issued to the Company during the year and covering the period upto June 2024 and internal audit report issued after the balance sheet date covering the period July 2024 to December 2024, for the period under audit.
- (xv) During the year, the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.



(xix) On the basis of the financial ratios, ageing and expected dates of 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 causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

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

Jitendra Agarwal

Partner

Place: Gurugram
Date: 13 February, 2025

(Membership No. 087104)
UDIN: 25087104BMJGT6195

Standalone Balance Sheet

as at December 31, 2024

(₹ in million)

Particulars	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	3 (a)	309.52	450.65
(b) Investment property	3 (b)	14.47	15.96
(c) Right-of-use assets	3 (c)	403.12	473.82
(d) Intangible assets	3 (d)	2.56	5.94
(e) Intangible assets under development	3 (e)	40.53	-
(f) Financial assets			
(i) Investments	4	3,735.22	3,727.58
(ii) Other financial assets	5	20.57	29.47
(g) Deferred tax assets (net)	28	276.72	220.22
(h) Non-current tax assets (net)		19.21	26.45
(i) Other non-current assets	6	37.22	98.57
Total non-current assets (A)		4,859.14	5,048.66
B. Current assets			
(a) Financial assets			
(i) Trade receivables	7	1,096.09	1,031.33
(ii) Cash and cash equivalents	8a	387.15	194.56
(iii) Bank balances other than cash and cash equivalents	8b	6.06	940.41
(iv) Other financial assets	9	649.83	603.42
(b) Other current assets	10	286.36	242.30
Total current assets (B)		2,425.49	3,012.02
C. Assets held for sale (C)	39	64.00	-
Total assets (A+B+C)		7,348.63	8,060.68
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	11	118.31	118.31
(b) Other equity	12	5,013.48	4,709.34
Total equity (A)		5,131.79	4,827.65
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	13.01	16.94
(ii) Lease liabilities	14	528.63	554.88
(iii) Other financial liabilities	15	12.18	12.01
(b) Provisions	16	275.19	246.04
Total non-current liabilities (B)		829.01	829.87
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	64.32	562.24
(ii) Lease liabilities	14	26.24	16.60
(iii) Trade payables	18	-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		97.92	109.98
(iv) Other financial liabilities	19	554.11	1,115.58
(b) Other current liabilities	20	220.65	249.63
(c) Provisions	21	270.81	236.18
(d) Current tax liabilities (net)		153.78	112.95
Total current liabilities (C)		1,387.83	2,403.16
Total liabilities (B+C)		2,216.84	3,233.03
Total equity and liabilities (A+B+C)		7,348.63	8,060.68

Notes forming integral part of the standalone financial statements

1 - 41

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
Membership No. 087104

Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : February 13, 2025

Nand Sardana
Chief Financial Officer

Place : NOIDA
Date : February 13, 2025

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

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Standalone Statement of Profit and Loss

for the year ended December 31, 2024

(₹ in million, except per share data)

Particulars	Notes	Year ended December 31, 2024	Year ended December 31, 2023
A Income			
(i) Revenue from operations	22	9,114.40	9,038.87
(ii) Other income	23	461.75	706.42
Total income		9,576.15	9,745.29
B Expenses			
(i) Employee benefits expense	24	6,152.53	6,014.41
(ii) Finance costs	25	77.61	81.18
(iii) Depreciation and amortisation expense	26	226.91	239.95
(iv) Other expenses	27	1,232.17	1,227.87
Total expenses		7,689.22	7,563.41
C Profit before tax (A-B)		1,886.93	2,181.88
D Tax expense	28		
(i) Current tax		457.38	485.60
(ii) Deferred tax credit		(56.00)	(38.29)
Total tax expense		401.38	447.31
E Profit for the year (C-D)		1,485.55	1,734.57
F Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(1.98)	(7.09)
Deferred tax relating to re-measurements of the defined benefit plans		0.50	2.48
Total other comprehensive loss		(1.48)	(4.61)
G Total comprehensive income for the year (E+F)		1,484.07	1,729.96
H Earnings per share (EPS)	29		
Equity share of par value of ₹ 1/- each			
Basic		12.56	14.66
Diluted		11.99	14.66

Notes forming integral part of the standalone financial statements

1 - 41

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
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Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
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Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Standalone Statement of Cash Flows

for the year ended December 31, 2024

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
A. Cash flows from operating activities		
Profit for the year	1,485.55	1,734.57
Adjustments for:		
Tax expense	401.38	447.31
Depreciation and amortisation expense	226.91	239.95
(Reversal) / Provision for doubtful debts (net)	(6.75)	68.87
Employee share based payment expense	251.21	-
Unrealised foreign exchange (gain) / loss	(10.01)	9.87
Unrealised loss / (gain) on derivative instruments	65.31	(107.92)
Interest income	(19.14)	(54.02)
Rental income from investment property	(7.86)	(6.72)
Net gain on disposal / fair valuation of investments	-	(4.62)
(Profit) / Loss on sale / disposal of property, plant and equipment (net)	(0.43)	0.10
Liability no longer required written back	(15.94)	-
Dividend income (refer to Note 36)	(401.73)	(573.90)
Interest expenses	77.61	81.18
Operating profit before working capital changes	2,046.11	1,834.67
Movements in working capital :		
(Increase) / Decrease in trade receivables	(50.32)	64.33
(Increase) / Decrease in other assets	(136.88)	67.54
Increase / (Decrease) in provisions	61.81	60.23
Increase / (Decrease) in trade payables and other liabilities	150.22	57.99
Cash generated from operations	2,070.94	2,084.76
Direct taxes paid, net of refunds	(409.35)	(316.48)
Net cash from operating activities (A)	1,661.59	1,768.28
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(55.06)	(128.94)
Purchase of intangible assets	(40.13)	(0.49)
Proceeds from sale of property, plant and equipment	9.17	3.49
Advance received towards sale of assets (refer to Note 39)	70.00	-
Investment in / acquisition of subsidiary (refer to Note 4)	(7.64)	(2,637.07)
Payment to erstwhile shareholders of subsidiary (refer to Note 4)	(56.67)	-
Proceeds from redemption of mutual funds	-	143.27
Proceeds from / (investment in) fixed deposits with scheduled banks (net)	243.79	(11.91)
Interest received	17.55	52.84
Rental income from investment property	7.86	6.72
Dividend income (refer to Note 36)	401.73	487.81
Net cash from / (used in) investing activities (B)	590.60	(2,084.28)

Standalone Statement of Cash Flows

for the year ended December 31, 2024

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
C. Cash flows from financing activities		
Proceeds from long-term borrowings	11.12	16.60
Repayment of long-term borrowings	(14.23)	(9.46)
(Repayment of) / Proceeds from short-term borrowings (net)	(498.74)	551.60
(Investment in) / Proceeds from margin money deposits (net)	(0.04)	5.29
Payment of lease rental (refer to Note 14)	(55.44)	(55.18)
Interest paid on borrowings	(25.54)	(21.42)
Interim dividend paid (refer to Note 38)	(1,478.79)	(804.46)
Net cash used in financing activities (C)	(2,061.66)	(317.03)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	190.53	(633.03)
Add: Cash and cash equivalents at the beginning of the year	194.56	825.70
Add: Effect of exchange rate changes on cash and cash equivalents held in foreign currency	2.06	1.89
Cash and cash equivalents at the end of the year	387.15	194.56

Notes forming integral part of the standalone financial statements 1 - 41

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
Membership No. 087104

Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : February 13, 2025

Nand Sardana
Chief Financial Officer

Place : NOIDA
Date : February 13, 2025

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

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Standalone Statement of Changes in Equity

for the year ended December 31, 2024

A. Equity share capital

(₹ in million)

Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
118.31	-	118.31

(₹ in million)

Balance as at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
118.31	-	118.31

B. Other equity

(₹ in million)

Particulars	Reserves and surplus				Total other equity
	Capital reserve under common control	Capital redemption reserve	Share-based payment reserve	Retained earnings	
Balance as at January 01, 2024	(0.34)	5.02	-	4,704.66	4,709.34
Profit for the year	-	-	-	1,485.55	1,485.55
Other comprehensive loss for the year	-	-	-	(1.48)	(1.48)
Share-based payment expense (refer to Note 11)	-	-	298.86	-	298.86
Interim dividend paid (refer to Note 38)	-	-	-	(1,478.79)	(1,478.79)
Balance as at December 31, 2024	(0.34)	5.02	298.86	4,709.94	5,013.48
Balance as at January 01, 2023	(0.34)	5.02	-	3,779.16	3,783.84
Profit for the year	-	-	-	1,734.57	1,734.57
Other comprehensive loss for the year	-	-	-	(4.61)	(4.61)
Interim dividend paid (refer to Note 38)	-	-	-	(804.46)	(804.46)
Balance as at December 31, 2023	(0.34)	5.02	-	4,704.66	4,709.34

Loss of ₹ 1.48 million and ₹ 4.61 million on remeasurement of defined benefit plans (net of tax) is recognised as a part of retained earnings for the year ended December 31, 2024 and December 31, 2023, respectively.

Notes forming integral part of the standalone financial statements

1 - 41

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
Membership No. 087104

Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
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Managing Director &
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DIN: 06912329

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Notes to Standalone Financial Statements

for the year ended December 31, 2024

1. Nature of operations

R Systems International Limited (the 'Company' or 'R Systems') (Corporate Identification Number: L74899DL1993PLC053579) is a public company domiciled in India having its registered office at New Delhi. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. The Company is a leading global provider of technology, artificial intelligence, intelligent process automation services and solutions along with knowledge services. The Company delivers its services and solutions to leading technology companies and businesses to enable their digital transformation. The Company's services and solutions span over six business verticals namely (i) Tech, Internet and Platforms, (ii) Health, (iii) Manufacturing & Logistics (M&L), (iv) Telecom, Media & Entertainment (TME), (v) Banking, Finance & Insurance (BFSI) and (vi) Services.

2. Summary of material accounting policies

(a) Basis of preparation and presentation

These standalone financial statements (the 'financial statements') are prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules as amended from time to time and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on accrual and going concern basis and under the historical cost convention except for certain financial instruments, equity settled share-based payment transactions, net defined benefit obligations and other long-term employee benefits which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value

measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Based on the nature of services rendered to customers and the time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration of the services rendered, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(b) Functional and presentation currency

The financial statements are presented in Indian Rupee (INR), which is also the Company's functional currency. All amounts have been presented in million and rounded off upto two decimal places, unless otherwise indicated.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

When significant parts of an item of property plant and equipment have different useful lives, they are accounted for as separate items (major component) of property plant and equipment. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

An item of property, plant and equipment is derecognised upon disposal or retirement i.e. when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from disposal or retirement of property,

Notes to Standalone Financial Statements

for the year ended December 31, 2024

plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment not received till the reporting date and the cost of property, plant and equipment received but not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP), respectively.

(d) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment and Investment Property, less their estimated residual values using the straight line method over the useful lives of the assets estimated by the management. The assets residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review, and adjusted prospectively.

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives are in align with Part C of Schedule II of the Companies Act 2013.

The management estimates the useful lives are as follows:

Category	Useful life up to
Buildings	30 years
Leasehold land	Lease period
Leasehold improvements	Lower of lease period or useful life
Plant and equipment - air conditioners	5 years
Plant and equipment - other than air conditioners	15 years
Office Equipment (other than end user devices)	5 years
Office Equipment (end user devices)	3 years
Computer hardware and network installations (other than end user devices)	6 years
Computer hardware (end user devices)	3 years
End-user devices such as desktop, laptop, mobile phones etc.	3 years
Furniture and fittings	10 years
Vehicles	8 years
Electrical installation	10 years

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The management estimates the useful life as follows:

Category	Useful life up to
Computer software	Lower of license period or 3 years

Expenditure incurred during development of intangible assets is included under "Intangible Assets under Development". The same is allocated to the respective items of intangible assets on completion of the project.

(f) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with requirements of Ind AS 16 for cost model i.e. cost less accumulated depreciation.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in the statement of profit or loss in the period in which the property is derecognised.

(g) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate,

Notes to Standalone Financial Statements

for the year ended December 31, 2024

on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amounts are presented in the standalone balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(h) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

(iii) Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

- (iv) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments, other than investment in subsidiary, are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Company, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

- (v) Investment in subsidiary companies

Investment in subsidiary companies is measured at cost.

De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- (i) For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- (ii) Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- (iii) For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

(i) Financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as:

- Financial liabilities at amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. The change in measurements is recognised as finance costs in the statement of profit and loss.

- Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all change recognised in the statement of profit and loss.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

(j) Impairment

- i. Financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For trade receivables, the Company recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. Further, the Company considers information developed internally or obtained from external sources indicating that the debtor is unlikely to pay as constituting an event indicating credit impairment.

For other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

- ii. Impairment of investment in subsidiaries:

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal and its value-in-use (VIU). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

- iii. Non-financial assets

The Company's non-financial assets, excluding deferred tax assets, are reviewed at each balance sheet date or whenever there is any indication of impairment based on internal/external factors. If any indications exist, the Company estimates the asset's recoverable amount.

An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

(k) Derivative financial instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and

Notes to Standalone Financial Statements

for the year ended December 31, 2024

non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(l) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds and interest on lease liabilities. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(m) Leases

Where the Company is a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and furniture. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The lease liability is initially measured at the present value of the future lease payments. The lease

Notes to Standalone Financial Statements

for the year ended December 31, 2024

payments are discounted using the rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease concessions received are accounted for as a lease modification and a corresponding adjustment is made to the carrying amount of the related right-of-use asset and lease liability.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing activity under cash flows statements.

Where the Company is a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets comprising land and building which are subject to operating leases are included under non-current assets as investment property and are carried at cost less accumulated depreciation. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

(n) Revenue

The Company derives revenue primarily from information technology services and business process outsourcing services. The Company recognises revenue when the performance obligations as promised have been satisfied with a transaction price and when there is no uncertainty as to measurement or collectability of the consideration.

The Company has applied the guidance in Ind AS 115, "Revenue from Contracts with Customers", by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering

these services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company collects Goods and Service Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Arrangements with customers for services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Revenue from fixed-price and fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

Revenue from licenses where the customer obtains a right to use are recognised at the time the licenses is made available to the customers.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as unearned revenues).

Unbilled revenue for fixed price contracts are classified as non-financial asset if the contractual right to consideration is dependent on completion of contractual milestones. Unbilled revenue on contracts other than above is classified as a financial asset.

(o) Other income

Other income is comprised primarily of interest income, dividend income, net gain on foreign exchange fluctuations, rental income and gain on investments. Interest income is recognised on a time proportion basis taking into account the carrying amount and the effective interest rate. Dividend income is recognised when the Company's right to receive dividend is established.

(p) Foreign currency transactions and balances

Foreign currency transactions are recorded in the functional currency of the Company, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined.

Exchange differences

Exchange differences arising on conversion / settlement of foreign currency monetary items and exchange gain / loss on forward contracts are recognised as income or expenses in the statement of profit and loss.

(q) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all related employee benefits. The related risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the

employees. The related actuarial risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

(i) Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences and performance incentives are recognised on undiscounted basis in the year in which the employee renders the related service.

(ii) The Company's contribution to social security plans such as provident fund, employee state insurance scheme, 401K etc. are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(iii) Gratuity is a defined benefit obligation plan operated by the Company for its employees covered under Company Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date and are charged to the statement of profit and loss except for the re-measurements comprising of actuarial gains and losses which are recognised in full in the statement of other comprehensive income in the reporting period in which they occur. Re-measurements are not reclassified to statement of profit and loss subsequently.

The provision for gratuity recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

(iv) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders

Notes to Standalone Financial Statements

for the year ended December 31, 2024

the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. The actuarial gains and losses are recognised in the statement of profit and loss. Non-accumulating compensated absences are recognised in the period in which the absences occur.

The Company presents the entire Compensated absences liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(r) Income taxes

Tax expense comprises current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except

deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognised only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. MAT credit asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under deferred tax assets.

(s) Segment reporting

The Company determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

Each segment item reported is measured at the measure used to report to the CODM for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Inter segment transfers:

The Company generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

The corporate and other segment includes general corporate income and expense items which are not allocated to any business segment.

(t) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources. The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

(u) Share based payments

The cost of equity-settled transaction is determined by the fair value of the options at the date of the grant and recognised as employee benefits expense over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date

until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The expense recognised in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

(v) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(w) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

(x) Business combinations

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Company are accounted for using pooling of interest method as if the acquisition had occurred at the beginning of the earliest comparative

Notes to Standalone Financial Statements

for the year ended December 31, 2024

period presented. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the transferor company. The difference, if any, between the share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be recorded as capital reserve and presented separately as capital reserve under common control.

(y) Cash and cash equivalents

Cash and cash equivalents comprises bank balances, cash on hand and short term deposits with an original maturity period of three months or less.

(z) Assets held for sale

The Company classifies non-current assets as held for sale when it is highly probable that they will be recovered primarily through sale rather than through continuing use. Items of property, plant and equipment, intangible assets and investment property, once classified as non-current assets, are no longer depreciated or amortised. Such assets are presented separately from the other assets in the Balance Sheet. They are measured at lower of their carrying value and fair value less cost to sell.

(aa) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of year. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and judgements

i. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method

requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii. Income taxes

The Company's major tax jurisdictions is India, though the Company also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes.

The Company reviews carrying amount of deferred tax assets at the end of each reporting period.

iii. Useful life of property, plant and equipment

The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

iv. Leases

The Company considers extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability.

v. Impairment of investments

The Company reviews its carrying value of investments at each Balance Sheet date, or more frequently when there is an indication that the carrying amount may not be recoverable. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

vi. Employee benefit plans

The present value of provision for gratuity and compensated absence is based on actuarial valuation using the projected unit credit method. An actuarial valuation involves

Notes to Standalone Financial Statements

for the year ended December 31, 2024

various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, provision for gratuity and compensated absence is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vii. Employee share-based payments

The Company measures compensation cost relating to employee share-based payments using the fair valuation method. Fair value of time-based restricted stock units (RSUs) was determined using Black Scholes model. The expected number of performance-based RSUs is determined using Monte Carlo Simulation.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Application of new and revised Indian Accounting Standards

- a) On August 12, 2024, MCA issued the Companies (Indian Accounting Standards) Amendment

Rules, 2024 effective from August 12, 2024 and amended/ issued the following Ind-ASs:

- Amendments to Ind AS 1 - Presentation of Financial Statements
 - Amendments to Ind AS 103 - Business Combinations
 - New accounting standard issued i.e. Ind-AS 117 Insurance Contracts.
- b) On September 09, 2024, MCA issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 effective from September 9, 2024 and amended the following Ind-AS:
 - Amendments to Ind AS 116 - Leases
 - c) On September 28, 2024, MCA issued the Companies (Indian Accounting Standards) Third Amendment Rules, 2024 effective from September 28, 2024 and amended the following:
 - Amendments to Rule 5 of Companies (Indian Accounting Standards) Rules, 2015.

The amendments did not have any material impact on the financial statements of the Company.

Amendments issued during the year which are not yet effective.

There are no new amendments which has been issued during the year and are not yet effective.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

3 (a). Property, plant and equipment

(₹ in million)

Particulars	Buildings and leasehold improvements	Plant and equipment	Electric installation	Furniture and fittings	Computer hardware	Vehicles ¹	Office equipment	Total
At cost								
Gross Block								
As at January 01, 2023	85.77	59.81	20.09	81.03	940.10	99.44	47.47	1,333.71
Additions	-	5.58	-	0.07	62.53	23.39	3.52	95.09
Deletions	-	(1.59)	-	-	(1.66)	(10.29)	(0.66)	(14.20)
As at December 31, 2023	85.77	63.80	20.09	81.10	1,000.97	112.54	50.33	1,414.60
Additions	-	2.63	-	0.47	76.56	19.44	2.02	101.12
Classified as held for sale (refer to Note 39)	(85.77)	(49.38)	(17.89)	(75.56)	(17.52)	-	(19.60)	(265.72)
Deletions	-	(3.30)	(1.84)	(4.71)	(138.19)	(23.85)	(8.54)	(180.43)
As at December 31, 2024	-	13.75	0.36	1.30	921.82	108.13	24.21	1,069.57
Accumulated Depreciation								
As at January 01, 2023	43.08	39.30	19.01	76.63	535.33	34.30	38.39	786.04
Charge for the year	3.48	3.12	0.25	0.93	163.10	13.31	4.33	188.52
Deletions	-	(0.91)	-	-	(1.66)	(7.52)	(0.52)	(10.61)
As at December 31, 2023	46.56	41.51	19.26	77.56	696.77	40.09	42.20	963.95
Charge for the year	3.19	4.38	0.23	0.76	152.10	13.54	3.88	178.08
Classified as held for sale (refer to Note 39)	(49.75)	(34.54)	(17.49)	(74.01)	(17.51)	-	(19.40)	(212.70)
Deletions	-	(2.99)	(1.82)	(3.81)	(137.81)	(14.70)	(8.15)	(169.28)
As at December 31, 2024	-	8.36	0.18	0.50	693.55	38.93	18.53	760.05
Net block								
As at December 31, 2023	39.21	22.29	0.83	3.54	304.20	72.45	8.13	450.65
As at December 31, 2024	-	5.39	0.18	0.80	228.27	69.20	5.68	309.52

Notes:

- Gross block of vehicles amounting to ₹ 56.72 million (as at December 31, 2023 : ₹ 57.52 million) are hypothecated against terms loans for vehicle financed from a non-banking financial corporation. Also refer to Note 13.
- Capital commitments:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Estimated amount of unexecuted capital contracts (A)	34.15	48.69
Capital advances (B)	-	45.74
Net capital commitment (A-B)	34.15	2.95

3 (b). Investment property

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Cost of land and building given on operating lease		
Balance at beginning of the year	35.96	35.96
Additions	-	-
Balance at the end of year	35.96	35.96
Accumulated depreciation		
Balance at beginning of the year	20.00	18.53
Charge for the year	1.49	1.47
Balance at the end of year	21.49	20.00
Net block	14.47	15.96

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3 (b). Investment property (Contd...)

Measurement of fair values

Investment property consists of land and building situated at Pune, India. The Company has estimated that the fair value of investment property is ₹ 110.60 million (Previous year: ₹ 101.13 million). The estimate is based on the valuation by a registered valuer during the year. The fair value measurement for the investment property has been categorised as a Level 2.

3 (c). Right-of-use assets

(₹ in million)

Particulars	Land Leasehold	Building	Computer hardware	Furniture and fittings	Total
At cost					
Gross Block					
As at January 01, 2023	15.30	514.28	0.97	110.49	641.04
Modification of lease	-	(15.96)	-	(3.60)	(19.56)
As at December 31, 2023	15.30	498.32	0.97	106.89	621.48
Modification of lease	-	(12.89)	-	(2.87)	(15.76)
Classified as held for sale (refer to Note 39)	(15.30)	-	-	-	(15.30)
Retirement on completion/termination of lease	-	(0.59)	(0.97)	-	(1.56)
As at December 31, 2024	-	484.84	-	104.02	588.86
Accumulated Depreciation					
As at January 01, 2023	3.98	71.28	0.66	25.44	101.36
Charge for the year	0.18	35.13	0.22	10.77	46.30
As at December 31, 2023	4.16	106.41	0.88	36.21	147.66
Charge for the year	0.16	33.60	0.09	10.11	43.96
Classified as held for sale (refer to Note 39)	(4.32)	-	-	-	(4.32)
Retirement on completion/termination of lease	-	(0.59)	(0.97)	-	(1.56)
As at December 31, 2024	-	139.42	-	46.32	185.74
Net block					
As at December 31, 2023	11.14	391.91	0.09	70.68	473.82
As at December 31, 2024	-	345.42	-	57.70	403.12

3 (d). Intangible assets

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Software (at cost)		
Gross Block		
Balance at beginning of the year	56.72	56.23
Additions	-	0.49
Deletions	(36.32)	-
Balance at the end of year	20.40	56.72
Accumulated amortisation		
Balance at beginning of the year	50.78	47.12
Charge for the year	3.38	3.66
Deletions	(36.32)	-
Balance at the end of year	17.84	50.78
Net block	2.56	5.94

3 (e). Intangible assets under development ageing schedule

(₹ in million)

Projects in progress	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2024	40.53	-	-	-	40.53
As at December 31, 2023	-	-	-	-	-

As on the date of the balance sheet, there is no intangible asset under development whose completion is overdue or has exceeded the cost, based on approved plan.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

4. Investments

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Non-current investments		
Unquoted investments (fully paid), measured at FVTPL		
Investment in Saraswat Co-operative Bank Ltd	0.03	0.03
2,500 (previous year 2,500) shares of ₹ 10 each fully paid up		
Total investment measured at FVTPL	0.03	0.03
Investment in subsidiaries, measured at cost		
(i) Investment in R Systems, Inc., USA	281.17	281.17
2,150 (previous year 2,150 shares of "no par" value		
(ii) Investment in R Systems (Singapore) Pte. Ltd., Singapore	274.56	274.56
5,780,768 (previous year 5,780,768) ordinary shares of "no par" value		
(iii) Investment in R Systems Technologies Limited, USA	10.79	10.79
243,750 (previous year 243,750) common stock of "no par" value		
(iv) Investment in R Systems Consulting Services Limited, Singapore		
63,891,260 (previous year 63,891,260) ordinary shares of	36.34	36.34
"no par" value		
Less: Provision for diminution in the value of investment	(5.53)	(5.53)
(v) Investment in R Systems Computaris International Limited, UK	350.63	350.63
66,500 (previous year 66,500) ordinary shares of GBP 0.01 each		
fully paid up		
(vi) Investment in RSYS Technologies Limited, Canada	85.85	85.85
200 (previous year 200) Class A common shares of CAD 1 each		
fully paid up		
25 (previous year 25) Class B preferred shares of CAD 3,992		
each fully paid up		
375 (previous year 375) Class B preferred shares of CAD 4,000		
each fully paid up		
(vii) Investment in Velotio Technologies Private Limited, India (refer to	2,693.74	2,693.74
Note 2 below)		
110,813 (previous year 110,813) equity shares of		
₹ 1 each fully paid up		
(viii) Investment in RSIL Mexico, S. de R.L. de C.V., United State of	7.64	-
Mexico (refer to Note 3 below)		
Total investments measured at cost	3,735.19	3,727.55
Aggregate carrying value of Non-current unquoted investments	3,735.22	3,727.58
Provision for investments	5.53	5.53

Notes:

- The Company had granted loans aggregating to ₹ 152.00 million (SGD 3.80 million) to R Systems Consulting Services Limited (formerly known as ECnet Limited) a subsidiary of the Company. These loans were disbursed over the period 2004 to 2010. R Systems Consulting Services Limited had accumulated losses which were in excess of its share capital as at 31 December, 2010.

During the year ended 31 December, 2010, the Board of Directors had approved a scheme for corporate restructuring of its two subsidiaries based in Singapore viz R Systems Consulting Services Limited (formerly known as ECnet Limited) and R Systems (Singapore) Pte Limited. The proposed corporate restructuring involves conversion of loan by the Company to R Systems Consulting Services Limited (formerly known as ECnet Limited) into equity investment and thereafter amalgamation of both these subsidiaries.

During the year ended December 31, 2011, the loan of ₹ 152.00 million (SGD 3.80 million) given by the Company to R Systems Consulting Services Limited (formerly known as ECnet Limited) was converted into equity share of R Systems Consulting Services Limited at the fair value of ₹ Nil. Further, in subsequent years the proposed amalgamation was called off.

The Company had prepared its first financial statements as per India Accounting Standards (Ind AS) for the year ended December 31, 2018. In accordance with Ind AS 101, the Company had availed exemption in respect of investments in subsidiaries whereby the Company had opted to value its investments in subsidiaries as per previous GAAP and use the cost as per previous GAAP at the date of transition as deemed cost. The Company had valued the above-mentioned investments as at 01 January, 2017 at ₹ Nil and was consequently not included in the value of investments made in R Systems Consulting Services Limited.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

4. Investments (Contd...)

2. During the previous year, the Company acquired 100% equity shares of Velotio Technologies Private Limited ("Velotio") at a consideration of ₹ 2,693.74 million. Out of this, ₹ 2,637.07 million was paid during the previous year and balance ₹ 56.67 million was paid during the current year. Further, the previous shareholders of Velotio hold 123,850 outstanding optionally convertible redeemable preference shares ("OCRPS") which were valued at ₹ 2,407.00 million based on terms and conditions stated in Shareholder Agreement ("SHA") dated June 7, 2023 entered into between the Company, Velotio and the previous shareholders of Velotio. The Company may at a later stage, as may be approved by its board of directors, acquire such OCRPS, subject to the terms and conditions set out in the SHA. (Also refer to Note 37)

At the time of acquisition, Velotio held 40% equity shares in Scaleworx Technologies Private Limited ("ScaleWorx"). On December 01, 2023, Velotio acquired balance 60% shareholding in ScaleWorx at a purchase consideration of ₹ 42.50 million. Subsequent to the aforesaid acquisition, ScaleWorx has become a wholly-owned subsidiary of Velotio.

3. The Company has set up a wholly owned subsidiary in United Mexican States, named RSIL Mexico, S. de R.L. de C.V. on October 09, 2024.

5. Other non-current financial assets

(₹ in million)		
Particulars	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Security deposits	19.78	28.84
Margin money deposits (refer to Note 8b)	0.60	0.57
Interest accrued on bank deposits	0.02	0.01
Staff advance	0.17	0.05
	20.57	29.47

6. Other non-current assets

(₹ in million)		
Particulars	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Capital advances	-	45.74
Prepaid expenses	37.22	52.83
	37.22	98.57

7. Trade receivables (Unsecured)

(₹ in million)		
Particulars	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good	1,096.09	1,031.33
Unsecured, credit impaired	40.86	104.85
Less: Allowance for doubtful debts (expected credit loss allowance)	(40.86)	(104.85)
	1,096.09	1,031.33

Refer to Note 35 for related party balances.

(₹ in million)							
Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2024							
Undisputed, considered good	892.69	199.97	1.04	2.39	-	-	1,096.09
Undisputed, credit impaired	7.94	16.75	15.36	0.33	-	-	40.38
Disputed, credit impaired	-	-	0.47	-	-	-	0.47

Notes to Standalone Financial Statements

for the year ended December 31, 2024

7. Trade receivables (Unsecured) (Contd...)

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2023							
Undisputed, considered good	708.00	317.92	3.27	2.14	-	-	1,031.33
Undisputed, credit impaired	18.61	44.32	31.80	4.82	-	-	99.55
Disputed, credit impaired	-	4.75	0.55	-	-	-	5.30

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date.

Particulars	Ageing*			
	Not due - 90 days	90-180 days	180-365 days	More than 365 days
Default rate as at December 31, 2024	0.03%	0.37%	0.70%	2.00%
Default rate as at December 31, 2023	0.02%	0.21%	0.45%	2.00%

* In case of probability of non-collection, credit loss rate is 100%

Movement in expected credit loss allowance:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	104.85	49.67
Provision / (Reversal) for doubtful debts (net)	(6.75)	68.87
Bad debts written off	(57.29)	(10.60)
Effect of foreign exchange fluctuation	0.05	(3.09)
Balance at the end of the year	40.86	104.85

8a. Cash and cash equivalents

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
(a) Cash on hand	0.14	0.03
(b) Balances with scheduled banks		
(i) in current accounts	13.78	18.90
(ii) in EEFC accounts	110.02	58.92
(iii) in deposit accounts with original maturity of less than 3 months	90.06	-
(c) Balances with other banks		
(i) in current accounts	173.15	116.71
Cash and cash equivalents	387.15	194.56

8b. Bank balances other than cash and cash equivalents

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
(a) In other deposit accounts		
(i) original maturity more than 12 months	-	112.74
(ii) original maturity more than 3 months but less than 12 months	2.36	133.42
(iii) held as margin money	0.60	0.57
Deposits with banks	2.96	246.73
Less: Bank deposits with original maturity of more than 12 months disclosed under Note 9	-	(112.74)
Less: Margin money deposit disclosed under Note 5	(0.60)	(0.57)
	2.36	133.42

Notes to Standalone Financial Statements

for the year ended December 31, 2024

8b. Bank balances other than cash and cash equivalents (Contd...)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
(b) Balances with scheduled banks		
(i) in unclaimed dividend accounts	3.70	2.53
(ii) Bank balance towards interim dividend (refer to Note 38)	-	804.46
Bank balances other than cash and cash equivalents	6.06	940.41

9. Other current financial assets

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Staff advance	1.57	2.98
Recoverable from related parties (refer to Note 35)	50.03	3.08
Unbilled revenue (refer to Note 22 and Note 35)	583.97	469.87
Security deposits	11.35	0.89
Bank deposits with original maturity of more than 12 months (refer to Note 8b)	-	112.74
Mark-to-market gain on derivative instruments (refer to Note 31)	-	9.86
Interest accrued on bank deposits	-	0.05
Others	2.91	3.95
	649.83	603.42

10. Other current assets

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Balance with indirect tax authorities	107.09	71.44
Unbilled revenue (refer to Note 22 and Note 35)	22.35	11.24
Prepaid expenses	148.28	142.90
Advance to vendors	6.81	13.96
Tour and travel advance	1.83	2.76
	286.36	242.30

11. Equity share capital

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Authorised		
206,000,000 (December 31, 2023: 206,000,000) equity shares of ₹ 1 each	206.00	206.00
Issued, subscribed and fully paid up		
118,303,445 (December 31, 2023: 118,303,445) equity shares of ₹ 1 each	118.31	118.31
	118.31	118.31

Notes:

(a) Reconciliation of number of shares and amount of share capital outstanding at the beginning and at the closing of the year:

Particulars	Year ended December 31, 2024		Year ended December 31, 2023	
	Number of shares	₹ in million	Number of shares	₹ in million
At the beginning of the year	118,303,445	118.31	118,303,445	118.31
Changes during the year	-	-	-	-
Outstanding at the closing of the year	118,303,445	118.31	118,303,445	118.31

Notes to Standalone Financial Statements

for the year ended December 31, 2024

11. Equity share capital (Contd...)

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company :

Particulars	As at December 31, 2024	As at December 31, 2023
BCP Asia II Topco II Pte Ltd.	61,433,005	61,433,005

No shares are held by the ultimate holding company. Refer to Note 35 with respect to ultimate holding company.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(i) Shares issued pursuant to merger of RightMatch Holdings Limited:

The scheme of amalgamation was approved by Hon'ble National Company Law Tribunal, New Delhi vide order dated February 01, 2021 and the Supreme Court of Mauritius vide order dated September 14, 2020 and amended order dated September 21, 2020, between RightMatch Holdings Limited (RightMatch) and the Company and their respective shareholders and creditors. Pursuant to the necessary filing with appropriate statutory authorities in India and Mauritius, the scheme became effective on March 09, 2021 and 8,828,489 fully paid equity shares of the face value of ₹ 1/- each of the Company were issued and allotted to the equity shareholders of RightMatch in the proportion of their respective equity shareholding in RightMatch and equivalent number of shares of the Company as held by RightMatch were cancelled and extinguished.

(ii) Shares bought back:

During the year ended December 31, 2021, the Company bought back 1.33 million equity shares of ₹ 1 each at a price of ₹ 225/- per equity share, payable in cash for a total consideration of ₹ 299.93 million by utilising the securities premium account of ₹ 46.66 million, general reserve of ₹ 155.04 million and retained earnings to the extent of 96.90 million. The capital redemption reserve was created out of retained earnings for ₹ 1.33 million being the nominal value of equity shares bought back in terms of Section 68 of the Companies Act, 2013. The equity shares bought back were extinguished on October 14, 2021. Further, the Company has apportioned ₹ 69.87 million out of retained earnings towards tax on aforesaid buy-back.

(e) Details of shareholders holding more than 5% shares in the Company:

Name of Shareholders	As at December 31 2024		As at December 31 2023	
	No. of shares held	% of Holding	No. of shares held	% of Holding
BCP Asia II Topco II Pte Ltd.	61,433,005	51.93%	61,433,005	51.93%
Bhavook Tripathi	24,313,676	20.55%	36,508,810	30.86%

As per secretarial records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(f) Shareholding of promoters:

Name of Promoters	As at December 31 2024		As at December 31 2023		Percentage change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Promoters:					
BCP Asia II Topco II Pte Ltd.	61,433,005	51.93%	61,433,005	51.93%	-

Notes to Standalone Financial Statements

for the year ended December 31, 2024

11. Equity share capital (Contd...)

(g) Employees Stock Option Plan:

On November 15, 2023 Shareholders of the Company, upon approval of the Board of Directors of the Company and recommendation of the Nomination, Remuneration and Compensation Committee ("NRCC"), have approved R Systems International Limited Management Incentive Plan 2023 ("Plan") to grant the eligible employees of the Company and its subsidiaries, such number of employee stock options ("Options") and restricted stock units ("RSUs") exercisable into not more than 8,000,000 (Eight million) equity shares of face value ₹ 1/- each.

During the year ended December 31, 2024, the NRCC has approved the grant of 5,907,586 (Fifty Nine Lakhs Seven Thousand Five Hundred Eighty Six only) RSUs under the plan to the identified employees of the Company and its subsidiaries. The plan is implemented and administered by the NRCC. Each RSUs shall vest into one equity share as per the terms and conditions mentioned in the Plan at an exercise price of ₹ 1/- per share.

Based upon the vesting criteria, the RSU's have been classified as time-based RSU's and Performance-based RSU's.

Time-based RSUs:

In case of time-based RSUs, the vesting period is 60 months (20% vesting in each year) commencing from the date of grant as per the vesting schedule.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2024
Outstanding at the beginning of the year	-
Granted during the year	579,114
Exercised during the year	-
Forfeited / lapsed / surrendered	(40,870)
Outstanding at the end of the year	538,244
Weighted average remaining contractual life at the end of the year	2.05 years

The weighted average fair value of time-based RSUs on the date of grant is ₹ 498.6. The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Inputs	Options granted during the year ended December 31, 2024
Weighted average share price on the date of grant	₹ 518.74
Exercise price	₹ 1
Expected volatility (in %)*	33.3% to 48.36%
Life of RSUs granted during the year	5 years i.e. 20% vesting at the end of each year from the date of grant
Exercise period [#]	5 years
Expected Dividend yield (in %)	1.70%
Risk-free interest rate (in %)	6.48% to 7.03%

* Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#] RSUs shall be automatically exercised upon vesting.

Performance-based RSUs:

The vesting of Performance-based RSUs will be determined subject to satisfaction of the performance obligations as stated under the Plan.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

11. Equity share capital (Contd...)

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2024
Outstanding at the beginning of the year	-
Granted during the year	5,328,472
Exercised during the year	-
Forfeited / lapsed / surrendered	(142,011)
Outstanding at the end of the year	5,186,461
Weighted average remaining contractual life at the end of the year	5.36 years

In order to determine total performance-based RSUs that are possible to vest i.e. fulfilment of the performance obligations, Monte Carlo Simulation ("MCS") method has been used. As per the MCS method, the external valuer has arrived that the performance obligation will be fulfilled by May 10, 2030 and 50% of the performance-based RSUs will vest. Various assumptions/inputs used for valuation exercise is given below:

Inputs	Options granted during the year ended December 31, 2024
Weighted average share price on the date of grant	₹ 521.94
Exercise price	₹ 1
Expected volatility (in %)*	47.30% to 48.30%
Expected Life of RSUs and exercise period [#]	5.36 years
Expected dividend yield (in %)	1.70%
Risk-free interest rate (in %)	6.70% to 7.00%

* Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#] RSUs shall be automatically exercised upon vesting.

During the year ended December 31, 2024, the Company has recorded ₹ 251.21 million as share based payment expense relating to RSUs granted to its employees and ₹ 47.65 million as recoverable from subsidiary companies for RSUs granted to their employees.

Subsequent to the year ended December 31, 2024, the Company has allotted 68,506 equity shares of ₹ 1/- each on January 17, 2025, upon the exercise of 68,506 Restricted Stock Units (RSUs) under the Plan.

12. Other equity

Particulars	As at December 31, 2024	(₹ in million) As at December 31, 2023
a. Capital reserve under common control	(0.34)	(0.34)
Capital reserve under common control represent reserves recorded upon business transfer under common control.		
b. Capital redemption reserve	5.02	5.02
Capital redemption reserve was created by transfer from general reserve of an amount equal to the nominal value of equity shares bought back by the Company. It is utilised in accordance with the provisions of the Companies Act, 2013.		
c. Share-based payment reserve	298.86	-
The share-based payment reserve account is used to record the value of equity-settled share based payment transactions with the employees of the Company and its subsidiaries. The amounts recorded in this account are transferred to securities premium account upon exercise of stock options by the employees.		
d. Retained earnings	4,709.94	4,704.66
Retained earnings comprises the Company's undistributed earnings after taxes.		
Other equity	5,013.48	4,709.34

Note:

(1) Year-wise movement of the individual line items above is given in the Standalone Statement of Changes in Equity.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

13. Borrowings (non-current) (at amortised cost)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Term loans		
- Motor vehicle loan from non banking financial corporation (secured)	24.47	27.58
Less:		
Current maturities of term loans (disclosed under Note 17)	11.46	10.64
	13.01	16.94

Notes:

- (1) Motor vehicle loans are secured by hypothecation of underlying motor vehicles and carries interest rate ranging from 7.30% to 9.63% per annum. The term loans are repayable in equated monthly instalments ranging from 36 to 60 months from the date of loan.

14. Lease liabilities

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Non-current	528.63	554.88
Current	26.24	16.60
	554.87	571.48

Movement schedule of lease liabilities is as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Opening balance	571.48	589.80
Modification of lease	(15.76)	(19.56)
Interest accrued on lease liability	54.63	56.47
Payment of lease rental	(55.44)	(55.18)
Effect of foreign exchange fluctuation	(0.04)	(0.05)
Closing balance	554.87	571.48

Rental expense recorded for short-term lease is ₹ 6.11 million (previous year ₹ 6.66 million) for the year ended December 31, 2024.

15. Other non-current financial liabilities

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Security deposits	12.18	12.01
	12.18	12.01

16. Provisions (non-current)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits		
- Gratuity	275.19	246.04
	275.19	246.04

Refer to Note 24 for detailed disclosures for gratuity.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

17. Borrowings (current)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Cash credit facility from scheduled banks (refer Notes below)		
ICICI Bank Limited	52.86	263.79
Axis Bank Limited	-	287.81
Current maturities of term loans	11.46	10.64
	64.32	562.24

Notes:

- (1) Cash credit limit / bank guarantee / loan equivalent risk / letter of credit is secured by pari-passu charge by way of hypothecation of entire current assets. The quarterly statements filed by the company with the banks are in agreement with the books of account.
- (2) Cash credit facility from ICICI Bank Limited is repayable on demand and carries interest @ 6 months I-MCLR.
- (3) Cash credit facility from Axis Bank Limited is repayable on demand and carries interest @ 1 months MCLR plus a spread of 0.10% p.a

18. Trade payables

Trade payable ageing schedule:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2024					
Micro enterprises and small enterprises	-	-	-	-	-
Others	13.90	-	-	-	13.90
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	13.90	-	-	-	13.90
Accrued expenses					84.02
Total					97.92

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2023					
Micro enterprises and small enterprises	-	-	-	-	-
Others	18.19	-	-	-	18.19
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	18.19	-	-	-	18.19
Accrued expenses					91.79
Total					109.98

Dues to micro, small and medium enterprises

Based upon the information and the supplier profile available with the Company, the management believes that there are no dues to such suppliers.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

18. Trade payables (Contd...)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

19. Other current financial liabilities

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Payable to subsidiary companies (refer to Note 35)	81.57	50.87
Security deposits received	13.37	12.31
Unclaimed dividend	3.70	2.53
Interim dividend payable (refer to Note 38)	-	689.55
Mark-to-market loss on derivative instruments (refer to Note 31)	55.45	-
Employee benefits payable	383.68	290.59
Capital creditors	0.71	-
Advance from customers	11.93	6.77
Payable to erstwhile shareholders of subsidiary	-	56.67
Interest accrued but not due	0.39	2.97
Other financial liabilities	3.31	3.32
	554.11	1,115.58

20. Other current liabilities

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Tax on dividend payable	-	114.91
Other statutory dues payable	101.62	93.36
Unearned revenues (refer to Note 22 and Note 35)	49.03	41.36
Advance received towards sale of assets (refer to Note 39)	70.00	-
	220.65	249.63

21. Provisions (current)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits		
- Gratuity	35.60	18.68
- Compensated absence	235.21	217.50
	270.81	236.18

Refer to Note 24 for detailed disclosures for gratuity.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

22. Revenue from operations

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Sale of services	9,114.40	9,038.87
	9,114.40	9,038.87

Disaggregate revenue information

The table below presents disaggregated revenues from the Company's contracts with customers by geography and customer's industry type. The Company believes this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Revenue by geography:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
India	328.38	262.89
North America	8,044.25	8,023.68
South East Asia	179.87	151.48
Europe	434.35	477.04
Others	127.55	123.78
	9,114.40	9,038.87

Revenue by customer's industry type :

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Tech, Internet and Platforms	2,308.96	2,724.26
Health	1,530.56	1,901.46
Manufacturing & Logistics (M&L)	1,132.28	1,148.78
Telecom, Media & Entertainment (TME)	883.55	718.89
Banking, Finance & Insurance (BFSI)	840.45	832.81
Services	2,418.60	1,712.67
	9,114.40	9,038.87

Trade receivables and contract balances

The company classifies the right to consideration in exchange for deliverables as either receivable or as unbilled revenue.

Revenue for time and material contracts are recognised as related service are performed. Revenue for fixed price maintenance contracts is recognised on a straight line basis over the period of contract. Revenue in excess of billing is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in the contract. This would result in timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial assets as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings is classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in Balance Sheet.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosures provide the aggregate amount of transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognise these amounts as revenue. The Company has applied the practical expedients as given in IND AS 115. Accordingly, the Company has not disclosed the remaining performance obligations related disclosures where the revenue recognised corresponds directly with the value to customer of the entity's performance completed to date, typically those contracts where invoicing is on the basis of time-and-material basis.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

22. Revenue from operations (Contd...)

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment of revenue that has not materialised and adjustments for currency.

Disclosure relating to remaining performance obligation relating to fixed bid price contracts require the aggregate amounts of transaction price yet to be recognised as revenue at the reporting date and expected timelines to recognise these amounts. In view of the fact that all outstanding contracts have an original expected duration for completion of less than a year no disclosure is warranted.

23. Other income

Particulars	(₹ in million)	
	Year ended December 31, 2024	Year ended December 31, 2023
Interest income on		
- Bank deposits	14.90	52.52
- Financial instruments measured at amortised cost	1.63	1.50
- Other	2.61	-
Dividend received from subsidiaries (refer to Note 36)	401.73	573.90
Liability no longer required written back	15.94	-
Rental income from investment property	7.86	6.72
Foreign exchange fluctuation (net)	-	64.37
Reversal of provision for doubtful debts (net)	6.75	-
Profit on sale of property, plant and equipment (net)	0.43	-
Net gain on disposal / fair valuation of investments	-	4.62
Miscellaneous income	9.90	2.79
	461.75	706.42

24. Employee benefits expense

Particulars	(₹ in million)	
	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, wages and bonus	5,510.84	5,629.39
Gratuity expenses	61.48	55.88
Contribution to social security plans	212.85	208.01
Staff welfare expenses	116.15	121.13
Employee share based payment expense	251.21	-
	6,152.53	6,014.41

(a) The Code on Social Security, 2020 (the 'Code')

The Code relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020 and was published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(b) Gratuity

The Company has a defined benefit gratuity plan that provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment in accordance with the "Payment of Gratuity Act, 1972". The amount is based on the respective employee's last drawn salary and the tenure of employment with the Company.

Amount recognised in the statement of profit and loss in respect of gratuity cost (defined benefit obligations) is as follows:

Particulars	(₹ in million)	
	Year ended December 31, 2024	Year ended December 31, 2023
Service cost	43.62	39.93
Net interest cost	17.86	15.95
Net gratuity expense recognised in statement of profit and loss	61.48	55.88
Re-measurement loss / (gain) recognised in other comprehensive income	1.98	7.09
Total cost recognised in total comprehensive income	63.46	62.97

Notes to Standalone Financial Statements

for the year ended December 31, 2024

24. Employee benefits expense (Contd...)

Details of defined benefit obligations:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Defined benefit obligation	320.00	283.54
Fair value of plan assets	(9.21)	(18.82)
Net defined benefit obligation	310.79	264.72

Changes in the defined benefit obligation are as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Opening defined benefit obligation	283.54	243.42
Service cost	43.62	39.93
Interest cost	19.23	16.77
Benefits paid	(29.86)	(25.96)
Actuarial (gains) / losses on obligation	3.47	9.38
Closing defined benefit obligation	320.00	283.54

Changes in the fair value of plan assets are as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Opening fair value of plan assets	18.82	11.04
Expected return	1.37	0.82
Contributions by the employer	17.39	30.63
Benefits paid	(29.86)	(25.96)
Actuarial gains / (losses) on plan assets	1.49	2.29
Closing fair value of plan assets	9.21	18.82

Amounts recognised in other comprehensive income (OCI):

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Actuarial (gain) / loss due to change in demographic assumption of defined benefit obligation	1.87	-
Actuarial (gain) / loss due to change in financial assumption of defined benefit obligation	7.23	3.16
Actuarial (gain) / loss from change in experience adjustment of defined benefit obligation	(5.63)	6.22
Return on plan assets (greater) / less than discount rate	(1.49)	(2.29)
Re-measurement loss / (gain) recognised in OCI	1.98	7.09

Sensitivity Analysis

Sensitivity analysis for each significant actuarial assumptions namely discount rate and salary increment rate is given below:

(₹ in million)

Defined Benefit Obligation	As at December 31, 2024	As at December 31, 2023
Discount rate		
a. Discount rate - 100 basis points	338.59	303.57
b. Discount rate + 100 basis points	303.30	265.84
Salary increment rate		
a. Rate - 100 basis points	304.94	268.03
b. Rate + 100 basis points	335.81	299.79

Notes to Standalone Financial Statements

for the year ended December 31, 2024

24. Employee benefits expense (Contd...)

Maturity Profile of Defined Benefit Obligation

(₹ in million)

Expected Future Cash Flows (Undiscounted)	As at December 31, 2024	As at December 31, 2023
Year 1	44.81	37.51
Year 2	46.45	32.88
Year 3	42.24	33.62
Year 4	36.47	29.54
Year 5	34.71	24.28
Year 6 to10	133.53	112.79
Year 10 +	166.22	244.90

The major categories of plan assets as a percentage of the fair value of total plan assets:

Particulars	As at December 31, 2024	As at December 31, 2023
Investments with Life Insurance Corporation of India	100%	100%

The principal assumptions used in determining defined benefit obligation are shown below:

(A) Financial Assumptions

Particulars	As at December 31, 2024	As at December 31, 2023
Discount rate	6.84%	7.26%
Salary Increment rate	First year 10%, thereafter 7%	First year 10%, thereafter 7%

(B) Demographic Assumptions

Particulars	As at December 31, 2024	As at December 31, 2023
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	Below Age 30 Yrs. - 30%	Below Age 30 Yrs. - 35%
	Age 30 to 34 Yrs. - 25%	Age 30 to 34 Yrs. - 25%
	Age 34 to 44 Yrs. - 20%	Age 34 to 44 Yrs. - 18%
	Age 44 to 50 Yrs. - 12%	Age 44 to 50 Yrs. - 7%
	Age 50 to 54 Yrs. - 11%	Age 50 to 54 Yrs. - 5%
	Above Age 54 Yrs. -1%	Above Age 54 Yrs. -1%
Retirement age	60 Yrs.	60 Yrs.

25. Finance costs

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Interest expense on borrowings	22.95	24.25
Interest expense on lease liabilities (refer to Note 14)	54.63	56.47
Interest under income tax	0.03	0.46
	77.61	81.18

Notes to Standalone Financial Statements

for the year ended December 31, 2024

26. Depreciation and amortisation expense

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Depreciation of property, plant and equipment	178.08	188.52
Depreciation on investment property	1.49	1.47
Depreciation on right-of-use assets	43.96	46.30
Amortisation of intangible assets	3.38	3.66
	226.91	239.95

27. Other expenses

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Power and fuel	35.74	34.02
Rent - premises	22.08	29.69
Software subscription charges	193.29	171.36
Repair and maintenance	54.51	53.75
Commission	3.69	4.66
Travelling and conveyance	170.32	171.91
Communication costs	63.77	81.13
Legal and professional fees (including subcontracting expenses)	462.69	358.42
Auditors' remuneration [refer to Note (i) below]	7.72	6.87
Foreign exchange fluctuation (net)	10.10	-
Provision for doubtful debts (net)	-	68.87
Loss on sale / discard of property, plant and equipment (net)	-	0.10
Contribution towards corporate social responsibility [refer to Note (ii) below]	32.36	23.27
Miscellaneous expenses	175.90	223.82
	1,232.17	1,227.87

(i) Detail of auditors remuneration

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
As auditor of the Company:		
- Statutory audit fee	2.40	2.40
- Quarterly audit / limited review fee	3.30	3.30
- Certification	0.89	0.45
- Out-of-pocket expenses	1.13	0.72
	7.72	6.87

(ii) Contribution towards corporate social responsibility (CSR)

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Amount required to be spent by the Company during the year	32.36	23.27
Amount spent by the Company during the year	32.36	23.27
Shortfall at the end of the year	-	-

Nature of CSR activities:

The Company has spend on the following projects/initiatives:

- Promoting and imparting education including special education, skill development etc.;
- Providing support for orphans and disabled children;
- Women empowerment and skill development;
- Environmental sustainability; and
- Research, development and education in the area of science and technology.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

28. Income tax

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Current income tax		
In respect of the current year	504.98	487.69
In respect of the prior periods	(4760)	(2.09)
Deferred tax credit	(56.00)	(38.29)
Income tax expense recognised in the statement of profit and loss	401.38	447.31
Income tax recognised in other comprehensive income		
Deferred tax credit relating to re-measurements of the defined benefit plans	(0.50)	(2.48)
	400.88	444.83

The reconciliation between the provision of income tax of the Company and amount computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Profit before tax	1,886.93	2,181.88
Enacted income tax rate in India	34.944%	34.944%
Computed expected tax expense	659.37	762.44
Tax effect of:		
Income exempt from tax - operating [#]	(159.19)	(222.98)
Income exempt from tax - non-operating	(140.38)	(114.46)
Temporary differences reversing during the tax holiday period	(19.53)	(3.41)
Impact of change in future tax rate [*]	101.10	-
Expenses that are not deductible in determining taxable profit	2.60	20.62
Branch operating in other tax jurisdiction	6.05	8.20
True-up of tax provisions related to previous years	(4760)	(2.09)
Income chargeable at different tax rate	-	(2.09)
Others	(1.04)	1.08
Income tax expense recognised in the statement of profit and loss	401.38	447.31

[#]The Company has two units at Greater Noida registered as Special Economic Zone (SEZ) units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961.

^{*}The Company may opt for tax rate of 22% plus surcharge and cess (totaling to 25.17%) as specified under section 115BAA of the Income Tax Act, 1961, while filing return of income for financial year effective April 01, 2025. Consequently, the Company has remeasured deferred tax balances to give effect to the lower rate of income tax under new tax regime. Accordingly, deferred tax balances have been remeasured during the year ended December 31, 2024.

Deferred tax

Deferred tax assets / (liabilities) as at December 31, 2024 in relation to:

(₹ in million)

Particulars	As at January 01, 2024	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	As at December 31, 2024
Property, plant and equipment and Intangible assets	(25.22)	17.00	-	-	(8.22)
Right-of-use assets and lease liabilities	46.20	(2.38)	-	-	43.82
Provision for doubtful debts	15.54	(5.26)	-	-	10.28
Provision for gratuity	92.51	(14.79)	0.50	-	78.22
Other employee benefits	80.74	(21.54)	-	-	59.20
Employee share based payment expense	-	63.22	-	-	63.22
Mark-to-market loss/ (gain) on derivative instruments	(2.18)	16.14	-	-	13.96
MAT credit entitlement	12.63	3.61	-	-	16.24
Total	220.22	56.00	0.50	-	276.72

Notes to Standalone Financial Statements

for the year ended December 31, 2024

28. Income tax (Contd...)

Deferred tax assets / (liabilities) as at December 31, 2023 in relation to:

(₹ in million)

Particulars	As at January 01, 2023	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	As at December 31, 2023
Property, plant and equipment and Intangible assets	(30.72)	5.50	-	-	(25.22)
Right-of-use assets and lease liabilities	30.50	15.70	-	-	46.20
Provision for doubtful debts	6.19	9.35	-	-	15.54
Provision for gratuity	81.21	8.82	2.48	-	92.51
Other employee benefits	68.52	12.22	-	-	80.74
Mark-to-market loss/ (gain) on derivative instruments	21.11	(23.29)	-	-	(2.18)
Net gain arising on financial assets measured at FVTPL	(2.01)	2.01	-	-	-
MAT credit entitlement	0.23	7.98	-	4.42	12.63
Total	175.03	38.29	2.48	4.42	220.22

29. Earnings per share

The reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share is as follows:

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Net profit after tax (₹ in million)	1,485.55	1,734.57
Weighted average number of equity shares for calculating basic earnings per share	118,303,445	118,303,445
Add: Dilutive potential equity shares (refer to Note 11 and Note 37)	5,591,187	-
Weighted average number of equity shares for calculating diluted earnings per share	123,894,632	118,303,445
Earnings per share (Equity share of par value of ₹ 1/- each)		
Basic (₹)	12.56	14.66
Diluted (₹)	11.99	14.66

30. Financial instruments

The carrying values and fair values of financial instruments by categories are as follows:

(₹ in million)

Particulars	Note reference	Basis of measurement	As at December 31, 2024		As at December 31, 2023		Fair value hierarchy
			Carrying value	Fair value	Carrying value	Fair value	
Assets							
Investments in subsidiaries	4	At cost	3,735.19	3,735.19	3,727.55	3,727.55	
Investments in other equity instruments	4	FVTPL	0.03	0.03	0.03	0.03	Level 3
Trade receivables	7	Amortised cost	1,096.09	1,096.09	1,031.33	1,031.33	
Cash and cash equivalents	8a	Amortised cost	387.15	387.15	194.56	194.56	
Other bank balances	8b	Amortised cost	6.06	6.06	940.41	940.41	
Mark-to-market gain on derivative instruments	9	FVTPL	-	-	9.86	9.86	Level 2
Other financial assets (Other than derivative instruments)	5,9	Amortised cost	670.40	670.40	623.03	623.03	
Total			5,894.92	5,894.92	6,526.77	6,526.77	
Liabilities							
Borrowings	13,17	Amortised cost	77.33	77.33	579.18	579.18	
Lease liabilities	14	Amortised cost	554.87	554.87	571.48	571.48	
Trade payables	18	Amortised cost	97.92	97.92	109.98	109.98	
Mark-to-market loss on derivative instruments	19	FVTPL	55.45	55.45	-	-	Level 2
Other financial liabilities (Other than derivative instruments)	15,19	Amortised cost	510.84	510.84	1,127.59	1,127.59	
Total			1,296.41	1,296.41	2,388.23	2,388.23	

Notes to Standalone Financial Statements

for the year ended December 31, 2024

30. Financial instruments (Contd...)

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

31. Financial risk management

Financial risk factors and risk management objectives

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by team that has the appropriate skills, experience along with supervision. It is the Company's policy that no trading in derivative for speculative purposes shall be undertaken.

Foreign currency risk

The Company's exchange risk arises from its foreign currency revenues (primarily in U.S. Dollars and Euros). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Company's revenues measured in Rupees may decrease or vice versa.

Derivative financial instruments

The Company holds foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Company has not applied hedge accounting as these forward contracts do not qualify for hedge accounting. As at December 31, 2024, the Company has recognised mark-to-market liability of ₹ 55.45 million (previous year: mark-to-market asset of ₹ 9.86 million) relating to aforesaid foreign currency forward contracts resulting in to mark-to-market loss of ₹ 65.31 million (previous year gain of ₹ 107.92 million) for the year ended December 31, 2024 recorded as foreign exchange fluctuation.

The following table gives details in respect of outstanding foreign currency forward contracts:

Particulars	As at December 31, 2024	As at December 31, 2023
USD		
Foreign currency (million)	40.80	36.70
Average rate	85.28	84.12
Rupees (million)	3,479.48	3,087.14
EURO		
Foreign currency (million)	2.10	2.70
Average rate	94.38	93.38
Rupees (million)	198.21	252.12

Notes to Standalone Financial Statements

for the year ended December 31, 2024

31. Financial risk management (Contd...)

The following table analyses Company's foreign currency exposure from non-derivative financial instruments as of December 31, 2024 and December 31, 2023:

As at December 31, 2024	Designated in foreign currency				(₹ in million)
	USD	EURO	CAD	Others [#]	Total
Trade receivables	970.66	34.62	60.11	25.64	1,091.03
Other financial assets	1.83	0.90	0.01	0.06	2.80
Cash and cash equivalents	278.44	4.03	0.47	0.23	283.17
Trade and other payable	226.34	17.29	27.06	0.21	270.90

As at December 31, 2023	Designated in foreign currency				(₹ in million)
	USD	EURO	CAD	Others [#]	Total
Trade receivables	998.85	41.17	37.81	33.37	1,111.20
Other financial assets	1.48	-	-	1.72	3.20
Cash and cash equivalents	162.89	7.19	3.91	1.64	175.63
Trade and other payable	123.45	5.32	31.46	-	160.23

[#] Others include currencies such as SGD and GBP.

Foreign currency sensitivity analysis

For the year ended December 31, 2024 and December 31, 2023, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies, would decrease / increase Company's profit before tax margin by approximately 1.35% and 1.00%, respectively.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company cash flows as well as costs. The Company has availed floating rate borrowings in the form of working capital demand loan and cash credit facility. For the year ended December 31, 2024, every one percentage increase / decrease in interest rates, would result in decrease / increase Company's profit before tax margin by approximately 0.03% (previous year 0.25%).

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from deposits held with banks, investments with financial institutions, as well as credit exposure to clients. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	Year ended		(₹ in million)
	December 31, 2024	December 31, 2023	
Revenue from top customer	411.88	508.65	
Revenue from top 5 customers	1,631.05	1,698.75	

No customer accounted for more than 10% of the revenue for the year ended December 31, 2024 and December 31, 2023. Further, no customer accounted for more than 10% of the receivable as at December 31, 2024 and December 31, 2023.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

31. Financial risk management (Contd...)

Investments including bank deposits

Credit risk on bank balances is limited as the Company generally invests in deposits with banks. Investments primarily includes investment in liquid mutual funds having good rating. The Company does not expect any losses from non-performance by the counterparties.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The investment of surplus cash is governed by the Company's investment policy approved by the Board of Directors. The Company believes that the working capital is sufficient to meet its current requirements.

As at December 31, 2024, the Company had a working capital of ₹ 1,037.66 million including cash and cash equivalents and current fixed deposits of ₹ 389.51 million. As at December 31, 2023, the Company had a working capital of ₹ 608.86 million including cash and cash equivalents and current fixed deposits of ₹ 440.72 million. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities:

(₹ in million)

Particulars	As at December 31, 2024					Total
	Up to 1 year	1 -2 years	2 -3 years	3 -5 years	More than 5 years	
Borrowings	65.03	8.64	4.25	2.66	-	80.58
Lease liabilities	78.62	78.87	81.20	169.49	499.91	908.09
Trade payables	97.92	-	-	-	-	97.92
Other financial liabilities	554.11	12.18	-	-	-	566.29
Total	795.68	99.69	85.45	172.15	499.91	1,652.88

(₹ in million)

Particulars	As at December 31, 2023					Total
	Up to 1 year	1 -2 years	2 -3 years	3 -5 years	More than 5 years	
Borrowings	564.18	9.81	5.85	3.04	-	582.88
Lease liabilities	71.27	78.62	78.87	164.90	585.70	979.36
Trade payables	109.98	-	-	-	-	109.98
Other financial liabilities	1,115.58	12.01	-	-	-	1,127.59
Total	1,861.01	100.44	84.72	167.94	585.70	2,799.81

32. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective, when managing capital, is to maintain an optimal structure so as to maximise shareholder value. The capital structure is as follows:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Total equity attributable to the equity share holders of the Company	5,131.79	4,827.65
As percentage of total capital	89.03%	80.75%
Term loans for motor vehicles (including current maturities)	24.47	27.58
Working capital loans from banks	52.86	551.60
Lease liabilities (including current maturities)	554.87	571.48
Total borrowings and lease liabilities	632.20	1,150.66
As percentage of total capital	10.97%	19.25%
Total capital (equity, borrowings and lease liabilities)	5,763.99	5,978.31

Notes to Standalone Financial Statements

for the year ended December 31, 2024

33. Financial Ratios

Ratio/Measure	Numerator	Denominator	Year ended December 31, 2024	Year ended December 31, 2023	% Variance	Reason for variance
a. Current Ratio	Current assets	Current liabilities	1.75	1.25	39.44%	Due to decrease in short-term borrowings
b. Debt-Equity Ratio	Total Debt (borrowings + lease liabilities)	Shareholders' equity	12.32%	23.83%	-48.31%	Due to decrease in short-term borrowings
c. Debt Service Coverage Ratio	Earnings available for debt service ¹	Debt service ²	19.78	23.01	-14.01%	
d. Return on Equity Ratio (%)	Profit for the year	Average shareholders' equity	29.83%	39.74%	-24.93%	
e. Trade Receivables turnover ratio	Revenue from operations	Average trade receivable	8.57	8.18	4.75%	
f. Trade payables turnover ratio	Total purchases ³	Average trade payables	12.55	13.99	-10.25%	
g. Net capital turnover ratio	Revenue from operations	Average working capital	20.57	15.32	34.26%	Due to decline in average working capital
h. Net profit ratio (%)	Profit for the year	Revenue from operations	16.30%	19.19%	-15.07%	
i. Return on Capital employed (%)	Earning before interest and taxes	Capital employed ⁴	34.08%	37.85%	-9.95%	
j. Return on investment (%)	Interest income, net gain on sale of investments and net fair value gain	Weighted average investments ⁵	1.86%	5.87%	-68.41%	Decrease in interest income due to decrease in average investment

Notes:

¹ Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses

² Debt service = Interest and lease payments + Scheduled principal repayments of term loans

³ Total purchases = Other expenses - Contribution towards corporate social responsibility - Provision for doubtful debts - Loss on sale/discard of property, plant and equipment + staff welfare expenses

⁴ Capital Employed = Shareholders' equity + Total Debt

⁵ Weighted average investment is the weighted average of amount invested in fixed deposits and mutual funds.

34. Segment information

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided. The CODM has identified the following as its reportable segments.

- Information technology services
- Business process outsourcing services (knowledge service)

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities of the Company are used interchangeably between segments and the CODM does not review assets and liabilities at reportable segment level. Accordingly, segment disclosure relating to assets and liabilities has not been provided as per Ind AS 108.

Geographic segments are based on the areas in which the major customers of the Company operate. Although the Company's major operating divisions are managed on a worldwide basis, they operate in four principal geographical areas of the world which are: India, North America, South East Asian countries and Europe.

Notes to Standalone Financial Statements

for the year ended December 31, 2024

34. Segment information (Contd...)

The following table provides required information for reportable segments for the year ended December 31, 2024 and December 31, 2023:

</

Refer to Note 22 for geography-wise revenue.

Refer to Note 31 on financial risk management for information on revenue from major customers.

35. Related Party Disclosure

(i) Names of related parties:

Ultimate holding company	BCP Asia II Holdco II Pte. Ltd. (w.e.f. May 10, 2023)
Holding company	BCP Asia II TOPCO II Pte. Ltd. (w.e.f. May 10, 2023)
Subsidiaries	<ul style="list-style-type: none"> • R Systems (Singapore) Pte Ltd, Singapore • R Systems, Inc., USA • R Systems Technologies Limited, USA • R Systems Consulting Services Limited, Singapore • R Systems Computaris International Limited, UK • RSYS Technologies Limited, Canada • IBIZ Consultancy Services India Private Limited, India (liquidated on April 24, 2023) • Velotio Technologies Private Limited, India (w.e.f. July 03, 2023) - Scaleworx Technologies Private Limited, India (w.e.f. December 01, 2023) • RSIL Mexico, S. de R.L. de C.V., United Mexican States (w.e.f. October 09, 2024)
Following are the subsidiaries of R Systems Consulting Services Ltd, Singapore:	
<ul style="list-style-type: none"> • R Systems Consulting Services (M) Sdn. Bhd., Malaysia • R Systems Consulting Services (Thailand) Co., Ltd., Thailand • R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China • R Systems Consulting Services (Hong Kong) Limited, Hong Kong • R Systems Consulting Services Kabushiki Kaisha, Japan • R Systems Consulting Services Company Limited, Vietnam 	
Following are the subsidiaries of R Systems Computaris International Limited, UK:	
<ul style="list-style-type: none"> • R Systems Computaris Europe S.R.L., Romania • R Systems Computaris Poland sp z o.o, Poland • R Systems Computaris S.R.L., Moldova • R Systems Computaris Malaysia Sdn. Bhd., Malaysia • R Systems Computaris Philippines Pte. Ltd. Inc., Philippines • R Systems Computaris Suisse Sàrl, Switzerland 	

Notes to Standalone Financial Statements

for the year ended December 31, 2024

35. Related Party Disclosure (Contd...)

Following are the subsidiaries of R Systems (Singapore) Pte Ltd, Singapore:	
•	R Systems IBIZCS Pte. Ltd., Singapore with the following step down subsidiaries:
➤	IBIZ Consulting Services Pte Ltd, Singapore (strike off w.e.f. January 08, 2024)
➤	R Systems IBIZCS Sdn. Bhd., Malaysia
➤	PT RSYSTEMS IBIZCS International, Indonesia
➤	IBIZ Consulting (Thailand) Co. Ltd, Thailand
➤	IBIZ Consulting Services Limited, Hong Kong (IBIZ HK)
-	IBIZ Consulting Services (Shanghai) Co., Ltd, People's Republic of China (wholly owned subsidiary of IBIZ HK)

Names of other related parties with whom transactions have taken place during the year:

Key management personnel	a. Dr. Satinder Singh Rekhi, Managing Director & Chief Executive Officer (resigned w.e.f. May 10, 2023)
	b. Nitesh Bansal, Managing Director & Chief Executive Officer (appointed w.e.f. May 30, 2023)
	c. Lt. Gen. Baldev Singh (Retd.), President & Senior Executive Director (ceased to be director and key management personnel w.e.f. May 10, 2023)
	d. Avirag Jain, Director & Chief Technology Officer (ceased to be director and key management personnel w.e.f. May 10, 2023)
	e. Ruchica Gupta, Chairperson & Non-Executive Independent Director
	f. Kapil Dhameja, Non-Executive Independent Director
	g. Aditya Wadhwa, Non-Executive Independent Director
	h. Mukesh Mehta, Non-Executive Director (appointed w.e.f. May 10, 2023)
	i. Amit Dalmia, Non-Executive Director (appointed w.e.f. May 10, 2023)
	j. Animesh Agarwal, Non-Executive Director (appointed w.e.f. May 10, 2023)
	k. Nand Sardana, Chief Financial Officer
	l. Bhasker Dubey, Company Secretary & Compliance Officer
Close family members of key management personnel	a. Ramneet Singh Rekhi, (related to Dr. Satinder Singh Rekhi) President – R Systems (ceased to be related party w.e.f. May 10, 2023)
	b. Mandeep Singh Sodhi, [related to Lt. Gen. Baldev Singh (Retd.)], Chief Operating Officer – R Systems USA Operations (ceased to be related party w.e.f. May 10, 2023)
	c. Harpreet Rekhi, (related to Dr. Satinder Singh Rekhi) (ceased to be related party w.e.f. May 10, 2023)
Person having shareholding of 20% or more, directly or indirectly	Bhavook Tripathi

(ii) Details of transactions with related parties for the year ended December 31, 2024 and December 31, 2023:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from information technology and BPO services rendered to		
R Systems Consulting Services Limited, Singapore	65.58	52.86
R Systems, Inc., USA	443.38	109.85
RSYS Technologies Limited, Canada	208.89	148.11
R Systems (Singapore) Pte Ltd, Singapore	35.78	42.85
R Systems Computaris International Limited, UK	2.39	2.00
R Systems Computaris Europe SRL, Romania	76.78	95.99
R Systems IBIZCS Pte. Ltd., Singapore	51.35	43.74
PT RSYSTEMS IBIZCS International, Indonesia	9.97	8.52
R Systems Consulting Services (Thailand) Co. Ltd., Thailand	-	0.02
R Systems IBIZCS SDN. BHD., Malaysia	17.19	1.78
Velotio Technologies Private Limited, India	21.24	0.10
Scaleworx Technologies Private Limited, India	1.41	-
Total	933.96	505.82

Notes to Standalone Financial Statements

for the year ended December 31, 2024

35. Related Party Disclosure (Contd...)

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Information technology services received from		
Velotio Technologies Private Limited, India	106.00	8.65
Scaleworx Technologies Private Limited, India	1.86	-
Total	107.86	8.65
Sales and support services received from		
RSYS Technologies Limited, Canada	125.03	119.87
R Systems Computaris International Limited, UK	25.97	22.16
R Systems, Inc., USA	5.01	0.75
Total	156.01	142.78
Rent paid by the Company to		
Dr. Satinder Singh Rekhi and Harpreet Rekhi	-	3.52
Velotio Technologies Private Limited, India	0.80	1.79
Total	0.80	5.31
Travel and other expenses reimbursed by the Company to		
RSYS Technologies Limited, Canada	2.48	6.61
R Systems, Inc., USA	59.32	52.35
R Systems (Singapore) Pte. Ltd, Singapore	-	17.41
R Systems Computaris International Limited, UK	2.15	0.42
Velotio Technologies Private Limited, India	0.33	0.52
R Systems Consulting Services Limited, Singapore	0.22	-
Total	64.50	77.31
Travel and other expenses reimbursed to the Company by		
R Systems Consulting Services Limited, Singapore	5.27	4.00
R Systems, Inc., USA	8.61	3.98
R Systems (Singapore) Pte. Ltd, Singapore	1.19	0.36
RSYS Technologies Limited, Canada	0.98	0.49
R Systems IBIZCS Pte. Ltd., Singapore	1.63	0.45
R Systems Computaris International Limited, UK	18.18	12.91
R Systems Computaris Europe S.R.L., Romania	0.19	0.17
Velotio Technologies Private Limited, India	5.85	1.26
Total	41.90	23.62
Reimbursement towards RSU (not due)		
R Systems, Inc., USA	11.49	-
RSYS Technologies Limited, Canada	11.35	-
R Systems Computaris Europe SRL, Romania	20.56	-
R Systems Computaris Poland sp z o.o, Poland	2.91	-
R Systems Computaris International Limited, UK	1.34	-
Total	47.65	-
Reimbursement by the Company for purchase of assets to		
R Systems, Inc., USA	0.87	0.03
Total	0.87	0.03
Reimbursement to the Company for purchase of assets on behalf of		
R Systems, Inc., USA	5.40	-
R Systems Computaris Europe SRL, Romania	0.04	-
Total	5.44	-
Dividend received from subsidiaries (refer to Note 36)		
R Systems, Inc., USA	-	573.90
R Systems (Singapore) Pte Ltd, Singapore	73.99	-
R Systems Computaris International Limited, UK	177.70	-
Velotio Technologies Private Limited, India	150.04	-
Total	401.73	573.90
Remuneration		
Short term employee benefits	107.89	168.58
Post-employment benefits	0.04	0.35
Other long-term employee benefits	0.25	5.24
Employee share-based payment expenses	125.89	-
Sitting fee to independent directors	1.09	1.65
Total	235.16	175.82

Notes to Standalone Financial Statements

for the year ended December 31, 2024

35. Related Party Disclosure (Contd...)

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Dividend Paid (refer to Note 38)		
BCP Asia II TOPCO II Pte. Ltd.	1,185.66	-
Nand Sardana	3.78	-
Bhavook Tripathi	616.79	-
Total	1,806.23	-

(iii) Outstanding balances of related parties as at December 31, 2024 and December 31, 2023:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Trade receivables		
R Systems Consulting Services Limited, Singapore	10.96	13.58
R Systems, Inc., USA	52.29	18.57
RSYS Technologies Limited, Canada	36.51	45.41
R Systems (Singapore) Pte Ltd, Singapore	7.00	10.24
R Systems Computaris Europe SRL, Romania	6.57	7.47
R Systems Computaris International Limited, UK	-	0.16
PT. RSYSTEMS IBIZCS International, Indonesia	0.66	1.37
R Systems IBIZCS Pte. Ltd., Singapore	4.27	6.40
R Systems IBIZCS SDN. BHD., Malaysia	5.60	1.83
Velotio Technologies Private Limited, India	0.15	-
Scaleworx Technologies Private Limited, India	0.17	-
Total	124.18	105.03
Other current financial assets		
R Systems Consulting Services Limited, Singapore	5.32	-
R Systems, Inc., USA	43.97	14.83
RSYS Technologies Limited, Canada	13.41	1.62
R Systems (Singapore) Pte. Ltd., Singapore	2.04	1.65
R Systems Computaris Europe SRL, Romania	6.09	5.65
R Systems Computaris International Limited, UK	0.90	0.07
R Systems IBIZCS Pte. Ltd., Singapore	4.43	-
PT. RSYSTEMS IBIZCS International, Indonesia	0.67	-
Velotio Technologies Private Limited, India	1.81	0.10
R Systems IBIZCS SDN. BHD., Malaysia	0.20	-
Scaleworx Technologies Private Limited, India	0.14	-
Total	78.98	23.92
Recoverable from subsidiaries towards RSU (not due)		
R Systems, Inc., USA	11.49	-
RSYS Technologies Limited, Canada	11.35	-
R Systems Computaris Europe SRL, Romania	20.56	-
R Systems Computaris Poland sp z o.o, Poland	2.91	-
R Systems Computaris International Limited, UK	1.34	-
Total	47.65	-
Other current assets		
R Systems Consulting Services Limited, Singapore	-	0.38
R Systems, Inc., USA	-	1.86
RSYS Technologies Limited, Canada	1.98	-
R Systems IBIZCS SDN. BHD., Malaysia	2.98	-
Total	4.96	2.24
Current financial liabilities		
R Systems Consulting Services Limited, Singapore	0.21	-
R Systems, Inc., USA	22.41	11.35
RSYS Technologies Limited, Canada	27.06	31.46
R Systems Computaris International Limited, UK	17.29	5.32
Velotio Technologies Private Limited, India	14.20	2.74
Scaleworx Technologies Private Limited, India	0.38	-
Total	81.55	50.87

Notes to Standalone Financial Statements

for the year ended December 31, 2024

35. Related Party Disclosure (Contd...)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Other current liabilities		
RSYS Technologies Limited, Canada	9.41	0.93
R Systems, Inc., USA	1.40	-
Total	10.81	0.93
Balance payable to key management personnel		
Nitesh Bansal	45.28	30.15
Nand Sardana	3.76	2.62
Total	49.04	32.77

The outstanding amounts are unsecured and will be settled in cash. No guarantee has been given or received.

36. During the year ended December 31, 2024, the Company has received dividend of ₹ 401.73 million from its subsidiaries. The Company had also received dividend from its wholly-owned subsidiary amounting to ₹ 487.81 (net of withholding tax ₹ 86.09 million) during the year ended December 31, 2023. The aforesaid dividend is recorded under "Other Income".

37. Subject to approvals from the Stock Exchanges, Shareholders, Creditors, Hon'ble National Company Law Tribunal, New Delhi and such other regulatory/governmental authorities or persons, as may be required under applicable law, the Board of Directors of R Systems International Limited ("R Systems"/ "Amalgamated Company"), has approved the Composite Scheme of Amalgamation of Velotio Technologies Private Limited ("Velotio" or "Amalgamating Company 1") and Scaleworx Technologies Private Limited ("Scaleworx" or "Amalgamating Company 2") with the Amalgamated Company ("Proposed Scheme") on September 11, 2024 under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").

Upon all the requisite approvals, as per the Proposed Scheme, the Existing Optionally Convertible Redeemable Preference Shareholders of Velotio will be allotted 5,160,833 Optionally Convertible Redeemable Preference Shares of Face Value of ₹ 1/- each of R Systems ("R Systems OCRPS"). R Systems OCRPS will be converted into 5,160,833 equity shares of Face Value of ₹ 1/- each of R Systems on the completion of their Term and subject to Vesting Factor as per terms defined in the Proposed Scheme.

38. The Company paid the first interim dividend for the year 2024 of ₹ 6/- per equity share of face value of ₹ 1/- each on April 12, 2024 and the second interim dividend 2024 of ₹ 6.50/- per equity share of face value of ₹ 1/- each on December 05, 2024, aggregating to ₹ 1,478.79 million.

The Board of Directors at its meeting held on December 13, 2023 had declared an interim dividend of ₹ 6.80/- per equity share of face value of ₹ 1/- each aggregating to ₹ 804.46 million. As at December 31, 2023, the Company had transferred the interim dividend amount to a separate bank account. The aforesaid interim dividend has been paid on January 09, 2024.

39. Assets held for sale

The Company has entered into an agreement to sell the leasehold land, building and certain other assets situated at its NOIDA office for consideration of ₹ 505 million. Pursuant to this transaction, the Company has received an advance of ₹ 70 million from the buyer.

The assets agreed to be transferred under the deal are recorded at lower of their carrying amount and net realizable value. Details of the assets held for sale are as under:

(₹ in million)

Particulars	As at December 31, 2024
Leasehold Land	10.98
Buildings and leasehold improvements	36.02
Plant and equipment	14.84
Electric installation	0.40
Furniture and fittings	1.55
Computer hardware	0.01
Office equipment	0.20
Total	64.00

Notes to Standalone Financial Statements

for the year ended December 31, 2024

40. Computation of net profit under Section 198 of the Companies Act, 2013 for calculation of managerial remuneration under Section 197 of the Companies Act, 2013

(₹ in million)

Sl. No.	Particulars	Year ended December 31, 2024	Year ended December 31, 2023
A	Total comprehensive income	1,484.07	1,729.96
B	Add:		
(i)	Loss on sale / discarding of property, plant and equipment (net)	-	0.10
(ii)	Provision for doubtful debts (net)	-	68.87
(iii)	Deficit in profit and loss on measurement of assets / liabilities at fair value (net)	55.29	-
(iv)	Tax expense (including tax relating to re-measurements of the defined benefit plans)	400.88	444.83
(v)	Depreciation and amortisation expense	226.91	239.95
		683.08	753.75
C	Less:		
(i)	Profit on sale of property, plant and equipment (net)	0.43	-
(ii)	Depreciation and amortisation expense	226.91	239.95
(iii)	Bad debts written off	57.29	10.60
(iv)	Reversal of provision for doubtful debts	6.75	-
(v)	Interest income on financial instruments measured at amortised cost	1.63	1.50
(vi)	Surplus in profit and loss on measurement of assets / liabilities at fair value (net)	-	98.05
(vii)	Net gain on disposal / fair valuation of investments	-	4.62
		293.01	354.72
	Net Profit for the year (A+B-C)	1,874.14	2,128.99
D	Add:		
	Remuneration paid to the whole-time directors	89.58	113.62
E	Net Profit for the purpose of managerial remuneration	1,963.72	2,242.61
	Overall maximum remuneration to all managerial personnel at 10% of the net profits as calculated above	196.37	224.26
	Overall maximum remuneration to individual managerial personnel at 5% of the net profits as calculated above	98.19	112.13

41. The standalone financial statements have been approved by the Board of Directors at its meeting held on February 13, 2025.

For and on behalf of the Board of Directors of

R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal

Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : February 13, 2025

Nand Sardana

Chief Financial Officer

Place : NOIDA
Date : February 13, 2025

Ruchica Gupta

Chairperson &
Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey

Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Consolidated



Financial Statements

Independent Auditor's Report

To The Members of **R Systems International Limited**
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **R Systems International Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 December, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 December, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Impairment Assessment of Goodwill</p> <p>(Refer note 3(e) of the consolidated financial statements)</p> <p>The consolidated financial statements of the Group as at December 31, 2024 carries goodwill amounting to INR 2,657 million in relation to the Acquisition of Velotio Technologies Private Limited ("Velotio") in previous year.</p> <p>Goodwill is assessed for impairment annually.</p> <p>During the current year, management has carried out impairment assessment by comparing the carrying value of the goodwill to their recoverable amount to determine whether an impairment was required to be recognized.</p> <p>We considered the assumptions relating to future revenue growth and the valuation assumptions, specifically, the assumptions relating to weighted average cost of capital and terminal growth rate, used in estimation of recoverable value of Velotio as a key audit matter due to the significance of the investment amount and the significant estimates and judgement involved in estimation of these assumptions.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> Evaluated the design, implementation and tested the operating effectiveness of relevant internal controls relating to impairment assessment of Goodwill. Evaluated the reasonableness of the business assumptions relating to future revenue growth; We have used our valuation specialists to assess overall reasonableness of the assumptions used particularly those relating to the weighted average cost of capital and terminal growth rate; Performed sensitivity analysis on the key assumptions such as weighted average cost of capital and terminal growth rate.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Parent's Board report including Annexures to Board's Report but does not include the consolidated financial statements, the standalone financial statements and our auditor's report thereon. The Company's Board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, when it becomes available and compare with the financial statements of the subsidiaries, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Those Charged with Governance of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the branch and entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such branch and entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements

of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of 24 subsidiaries whose financial statements reflect total assets of ₹ 3,120.76 million as at 31 December, 2024, total revenues of ₹ 5,454.88 million, total net profit after tax of ₹ 140.62 million, total comprehensive income of ₹ 165.01 million and net cash outflows of ₹ 164.63 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of ₹ 7.64 million as at 31 December, 2024, total revenues of ₹ NIL, net cash inflows amounting to ₹ 7.01 million, total net loss after tax of ₹ 0.84 million and total comprehensive loss of ₹ 0.84 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

The financial statements of 26 subsidiaries have been prepared under accounting principles generally accepted in their respective countries. The Parent's Management has converted the financial statements of these subsidiaries, from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We reviewed the adjustments that were applied to prepare the audited consolidated

financial statements for the year ended 31 December, 2024 made by the Parent's Management to convert the financial statements of these subsidiaries, from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors, except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India by 1 of its subsidiary, and (b) in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent and its subsidiary companies incorporated in India as on 31 December,

2024 taken on record by the Board of Directors of the Parent and its subsidiary companies incorporated in India none of the directors of the Group companies incorporated in India is disqualified as on 31 December, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary company incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) There were no pending litigations which would impact the consolidated financial position of the Group.
 - 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.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

- iv) (a) The respective Managements of the Parent and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India, whose financial statements have been audited

under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The interim dividend declared and paid by the Parent and its subsidiary which is company incorporated in India, whose financial statements have been audited, during the year is in accordance with section 123 of the Act, as applicable.
- vi) Based on our examination which included test checks and that performed by the auditor of the subsidiary company, and based on the other auditor's report of its Indian subsidiary company except for the instances mentioned below, the Parent and its subsidiary companies, incorporated in India have used accounting software for maintaining their respective books of account for the year/period ended December 31, 2024, which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except:

In respect of accounting software used by the Parent:

- a. One accounting software, did not have audit trail feature enabled at the database level to log any direct data changes. Consequently, we are unable to comment whether there were any instances of the audit trail feature being tampered with, and;
- b. Two software, used to maintain payroll and revenue records, did not have audit trail feature.

In respect of an accounting software used by a subsidiary company, audit trail feature was not enabled for the period from January 1, 2024 to February 14, 2024.

Further, during the course of audit, we and the other auditor, did not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.



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

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO report issued by us and the auditor of subsidiary company included in the consolidated financial statements,

to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by auditor of subsidiary company in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**

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

Jitendra Agarwal

Partner

(Membership No.087104)

UDIN: 25087104BMJGTZ4432

Place: Gurugram

Date: 13 February, 2025

Annexure “A” to The Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Parent as at and for the year ended 31 December, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on “the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 December, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 1 subsidiary company, which is company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**

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

Jitendra Agarwal

Partner

Place: Gurugram
Date: 13 February, 2025

(Membership No.087104)
UDIN: 25087104BMJGTZ4432

Consolidated Balance Sheet

as at December 31, 2024

(₹ in million)

Particulars	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	3 (a)	436.83	607.41
(b) Capital work in progress	3 (b)	-	1.64
(c) Investment property	3 (c)	14.47	15.96
(d) Right-of-use assets	3 (d)	495.85	628.55
(e) Goodwill	3 (e)	2,836.24	2,836.58
(f) Other intangible assets	3 (f)	1,923.55	2,181.20
(g) Intangible assets under development	3 (g)	40.53	-
(h) Financial assets			
(i) Investment	4	0.03	0.03
(ii) Other financial assets	5	58.21	115.14
(i) Deferred tax assets (net)	28	392.01	313.44
(j) Non-current tax assets (net)		45.59	58.12
(k) Other non-current assets	6	37.91	126.59
Total non-current assets (A)		6,281.22	6,884.66
B. Current assets			
(a) Financial assets			
(i) Trade receivables	7	2,573.09	2,503.99
(ii) Cash and cash equivalents	8a	1,900.89	1,573.50
(iii) Bank balances other than cash and cash equivalents	8b	36.57	943.69
(iv) Other financial assets	9	797.66	805.52
(b) Other current assets	10	502.36	435.06
Total current assets (B)		5,810.57	6,261.76
C. Assets held for sale (C)	38	64.00	-
Total assets (A+B+C)		12,155.79	13,146.42
EQUITY & LIABILITIES			
A. Equity			
(a) Equity share capital	11	118.31	118.31
(b) Other equity	12	6,122.19	5,996.06
Total equity attributable to equity shareholders of the Company		6,240.50	6,114.37
Non controlling interests	36	2,407.00	2,407.00
Total equity (A)		8,647.50	8,521.37
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	13.01	16.94
(ii) Lease liabilities	14	561.28	631.14
(iii) Other financial liabilities	15	12.18	12.01
(b) Provisions	16	327.63	282.00
Total non-current liabilities (B)		914.10	942.09
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	64.32	562.24
(ii) Lease liabilities	14	90.21	101.45
(iii) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		3.30	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		402.93	370.76
(iv) Other financial liabilities	19	908.42	1,535.15
(b) Other Current liabilities	20	556.99	634.21
(c) Provisions	21	383.21	342.15
(d) Current tax liabilities (net)		184.81	137.00
Total current liabilities (C)		2,594.19	3,682.96
Total liabilities (B+C)		3,508.29	4,625.05
Total equity and liabilities (A+B+C)		12,155.79	13,146.42

Notes forming integral part of the consolidated financial statements
In terms of our report attached

1-40

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
Membership No. 087104

Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : February 13, 2025

Nand Sardana
Chief Financial Officer

Place : NOIDA
Date : February 13, 2025

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

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Consolidated Statement of Profit and Loss

for the year ended December 31, 2024

(₹ in million, except per share data)

Particulars	Notes	Year ended December 31, 2024	Year ended December 31, 2023
A Income			
(i) Revenue from operations	22	17,417.27	16,845.18
(ii) Other income	23	83.14	115.33
Total income		17,500.41	16,960.51
B Expenses			
(i) Employee benefits expense	24	11,911.19	11,335.35
(ii) Finance costs	25	83.95	89.50
(iii) Depreciation and amortisation expense	26	653.73	544.04
(iv) Other expenses	27	2,936.52	2,986.36
Total expenses		15,585.39	14,955.25
C Profit before tax and Share in Profit / (Loss) of Associate (A-B)		1,915.02	2,005.26
D Share of net profit / (loss) of associates accounted for using the equity method	36	-	(5.04)
E Profit before tax (C+D)		1,915.02	2,000.22
F Tax expense	28		
(i) Current tax		678.38	613.59
(ii) Deferred tax credit		(75.18)	(14.43)
Total tax expense		603.20	599.16
G Profit for the year (E-F)		1,311.82	1,401.06
H Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(12.14)	(8.96)
Deferred tax relating to re-measurements of the defined benefit plans		2.85	2.95
Items that will be reclassified to profit or loss			
Foreign currency translation reserve		3.53	69.09
Total other comprehensive income / (loss)		(5.76)	63.08
I Total comprehensive income for the year (G+H)		1,306.06	1,464.14
J Profit attributable to			
Equity shareholders of the company		1,311.82	1,401.06
Non controlling interest		-	-
		1,311.82	1,401.06
K Total comprehensive income attributable to			
Equity shareholders of the company		1,306.06	1,464.14
Non controlling interest		-	-
		1,306.06	1,464.14
L Earnings per share (EPS)	29		
Equity share of par value of ₹ 1/- each			
Basic		11.09	11.84
Diluted		10.59	11.84

Notes forming integral part of the consolidated financial statements

1-40

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
Membership No. 087104

Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : February 13, 2025

Nand Sardana
Chief Financial Officer

Place : NOIDA
Date : February 13, 2025

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

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Consolidated Statement of Cash Flows

for the year ended December 31, 2024

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
A. Cash flows from operating activities		
Profit for the year	1,311.82	1,401.06
Adjustments for:		
Tax expense	603.20	599.16
Depreciation and amortisation expense	653.73	544.04
Provision for doubtful debts (net)	7.10	68.98
Advance written off	10.73	-
Employee share based payment expense	298.86	-
Unrealised foreign exchange loss / (gain)	5.57	16.21
Unrealised loss / (gain) on derivative instruments	64.85	(109.10)
Interest income	(37.20)	(67.34)
Rental income from investment property	(7.86)	(6.72)
Net gain on disposal / fair valuation of investments	-	(4.62)
Loss / (Profit) on sale / disposal of property, plant and equipment (net)	0.09	4.48
Loss / (Profit) on discard of right-of-use assets	0.82	-
Share of net profit / (loss) of associates accounted for using the equity method (refer to Note 36)	-	5.04
Net gain on fair value of investment in associates (refer to Note 36)	-	(2.04)
Liability no longer required written back	(21.34)	(5.38)
Interest expenses	83.95	89.50
Operating profit before working capital changes	2,974.32	2,533.27
Movements in working capital :		
(Increase) / Decrease in trade receivables	(57.84)	255.90
(Increase) / Decrease in other assets	(123.01)	46.76
Increase / (Decrease) in provisions	74.77	55.63
Increase / (Decrease) in trade payables and other liabilities	102.19	(236.37)
Cash generated from operations	2,970.43	2,655.19
Direct taxes paid, net of refunds	(617.78)	(541.55)
Net cash flows from operating activities (A)	2,352.65	2,113.64
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(81.85)	(201.57)
Purchase of intangible assets	(40.18)	(0.56)
Proceeds from sale of property, plant and equipment	11.24	15.18
Advance received towards sale of assets (refer to Note 38)	70.00	-
Acquisition of subsidiary i.e. Velotio Technologies Private Limited (net of cash and cash equivalents acquired amounting to Rs. 166.50 mn) (refer to Note 36)	-	(2,470.57)
Acquisition of subsidiary i.e. Scaleworx Technologies Private Limited (net of cash and cash equivalents acquired amounting to Rs. 28.52 mn) (refer to Note 36)	-	(13.97)
Payment to erstwhile shareholders of subsidiary (refer to Note 36)	(56.67)	-
Proceeds from redemption of mutual fund	-	143.27
Proceeds from fixed deposits (net)	204.10	225.85
Interest received	33.12	67.80
Rental income from investment property	7.86	6.72
Net cash from / (used in) investing activities (B)	147.62	(2,227.85)

Consolidated Statement of Cash Flows

for the year ended December 31, 2024

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
C. Cash flows from financing activities		
Proceeds from long-term borrowings	11.12	16.60
Repayment of long-term borrowings	(14.23)	(9.46)
(Repayment of) / Proceeds from short-term borrowings (net)	(498.74)	551.60
(Investment in) / Proceeds from margin money deposits (net)	(0.93)	7.19
Payment of lease rental (refer to Note 14)	(156.05)	(149.14)
Interest paid on borrowings	(25.54)	(21.42)
Interim dividend paid (refer to Note 37)	(1,478.79)	(804.46)
Net cash used in financing activities (C)	(2,163.16)	(409.09)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	337.11	(523.30)
Add: Cash and cash equivalents at the beginning of the year	1,573.50	2,062.30
Add: Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(9.72)	34.50
Cash and cash equivalents at the end of the year	1,900.89	1,573.50

Notes forming integral part of the consolidated financial statements

1-40

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
Membership No. 087104

Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal
Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : February 13, 2025

Nand Sardana
Chief Financial Officer

Place : NOIDA
Date : February 13, 2025

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

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Consolidated Statement of Changes in Equity

for the year ended December 31, 2024

A. Equity share capital

(₹ in million)

Balance at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
118.31	-	118.31

(₹ in million)

Balance at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
118.31	-	118.31

B. Other equity (refer to Note 12)

(₹ in million)

Particulars	Reserves and surplus					Other comprehensive income	Total other equity
	Capital reserve under common control	Capital reserve other	Capital redemption reserve	Share based payment reserve	Retained earnings	Foreign currency translation reserve	
Balance at January 01, 2024	(0.34)	0.03	5.02	-	5,386.98	604.37	5,996.06
Profit for the year	-	-	-	-	1,311.82	-	1,311.82
Other comprehensive income / (loss) for the year	-	-	-	-	(9.29)	3.53	(5.76)
Share-based payment expense (refer to Note 11)	-	-	-	298.86	-	-	298.86
Interim dividend paid (refer to Note 37)	-	-	-	-	(1,478.79)	-	(1,478.79)
Balance at December 31, 2024	(0.34)	0.03	5.02	298.86	5,210.72	607.90	6,122.19
Balance at January 01, 2023	(0.34)	0.03	5.02	-	4,796.39	535.28	5,336.39
Profit for the year	-	-	-	-	1,401.06	-	1,401.06
Other comprehensive income / (loss) for the year	-	-	-	-	(6.01)	69.09	63.08
Interim dividend paid (refer to Note 37)	-	-	-	-	(804.46)	-	(804.46)
Balance at December 31, 2023	(0.34)	0.03	5.02	-	5,386.98	604.37	5,996.06

Loss of ₹ 9.29 million and ₹ 6.01 million on remeasurement of defined benefit plans (net of tax) is recognised as a part of retained earnings for the year ended December 31, 2024 and December 31, 2023, respectively.

Notes forming integral part of the consolidated financial statements

1-40

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Jitendra Agarwal
Partner
Membership No. 087104

Place : Gurugram
Date : February 13, 2025

For and on behalf of the Board of Directors of
R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal
Managing Director &
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DIN: 06912329

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey
Company Secretary & Compliance Officer

Place : NOIDA
Date : February 13, 2025

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

1. Organisation and nature of operations

R Systems International Limited (the 'Company' or 'the Parent Company') (Corporate Identification Number: L74899DL1993PLC053579) and its subsidiaries (hereinafter collectively referred to as 'the Group') is a public company domiciled in India having its registered office at New Delhi. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. The Group is a leading global provider of technology, artificial intelligence, intelligent process automation services and solutions along with knowledge services. The Group delivers its services and solutions to leading technology companies and businesses to enable their digital transformation. The Group's services and solutions span over six business verticals namely (i) Tech, Internet and Platforms, (ii) Health, (iii) Manufacturing & Logistics (M&L), (iv) Telecom, Media & Entertainment (TME), (v) Banking, Finance & Insurance (BFSI) and (vi) Services.

The Company has following subsidiaries:-

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

- a. As on July 3, 2023, Velotio Technologies Private Limited (Velotio) held 40% Equity shares of Scaleworx Technologies Private Limited (Scaleworx) and classified Scaleworx as its associate. Subsequently, on December 1, 2023, Velotio acquired the balance 60% equity shares in Scaleworx's and consequently Scaleworx became wholly owned subsidiary of Velotio. (refer to Note 37)

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

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

Name	Holding as at		Country of incorporation
	December 31, 2024	December 31, 2023	
R Systems Consulting Services (M) Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Consulting Services (Thailand) Co., Ltd.	100 %	100 %	Thailand
R Systems Consulting Services (Shanghai) Co., Ltd.	100 %	100 %	People's Republic of China
R Systems Consulting Services (Hong Kong) Ltd.	100 %	100 %	Hong Kong
R Systems Consulting Services Kabushiki Kaisha	100 %	100 %	Japan
R Systems Consulting Services Company Limited (incorporated on October 17, 2022)	100 %	100 %	Vietnam

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

Name	Holding as at		Country of incorporation
	December 31, 2024	December 31, 2023	
R Systems Computaris Europe SRL	100 %	100 %	Romania
R Systems Computaris Poland sp z o.o	100 %	100 %	Poland
R Systems Computaris S.R.L	100 %	100 %	Moldova
R Systems Computaris Malaysia Sdn. Bhd.	100 %	100 %	Malaysia
R Systems Computaris Philippines Pte. Ltd. Inc.	100 %	100 %	Philippines
R Systems Computaris Suisse Sarl	100 %	100 %	Switzerland

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

Name	Holding as at		Country of incorporation
	December 31, 2024	December 31, 2023	
IBIZ Consulting Services Pte Ltd (strike off w.e.f. January 08, 2024)	-	100 %	Singapore
R Systems IBIZ Sdn. Bhd.	100 %	100 %	Malaysia
PT. R Systems IBIZCS International	100 %	100 %	Indonesia
IBIZ Consulting (Thailand) Co. Ltd.	100 %	100 %	Thailand
IBIZ Consulting Service Limited (IBIZ HK)	100 %	100 %	Hong Kong
IBIZ Consulting Service Shanghai Co., Ltd	100% by IBIZ HK	100% by IBIZ HK	People's Republic of China

2. Summary of material accounting policies

(a) Basis of preparation and presentation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules as amended from time to time and other accounting principles generally accepted in India.

The Group has consistently applied accounting policies to all periods except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements of the Group have been prepared on accrual and going concern basis and under the historical cost convention except for certain financial instruments, equity settled share-based payment transactions, contingent consideration, net defined benefit obligations and other long term employee benefits, which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Based on the nature of services rendered to customers and the time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration of the services rendered, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(b) Functional and presentation currency

Items included in the consolidated financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The Group uses the Indian Rupee (INR) as its reporting currency, which is the functional currency of the Parent Company. All amounts have been presented in nearest million and rounded off upto two decimal places, unless otherwise indicated.

(c) Principles of consolidation

The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as laid down under Indian Accounting Standard (Ind AS) 110 Consolidated Financial Statements.

The consolidated financial statements include the financial statements of R Systems International Limited and its subsidiaries (as explained in note 1 above).

The consolidated financial statements are prepared using uniform accounting policies for like transactions

and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.

The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions.

Minority interest's share in the net comprehensive income of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. In case the losses applicable to consolidated minority are in excess of minority interest in the equity of the subsidiary, the excess, and any further losses applicable to the minority are adjusted against majority interest except to the extent minority has a binding obligation to, and is able to, make good losses. If the subsidiary subsequently reports profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major component) of property, plant and equipment. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Group. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

An item of property, plant and equipment is derecognised upon disposal or retirement i.e. when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from disposal or retirement of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the statement of profit and loss.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

Amounts paid towards the acquisition of property, plant and equipment not received till the reporting date and the cost of property, plant and equipment received but not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP) respectively.

(e) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment and investment property less their estimated residual values using the straight line method over the useful lives of the assets estimated by the management. The assets residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review, and adjusted prospectively.

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives are in align with Part C of Schedule II of the Companies Act 2013.

The management estimates the useful lives are as follows:

Category	Useful life upto
Buildings	30 years
Leasehold land	Lease period
Leasehold improvements	Lower of lease period or useful life
Plant and equipment - air conditioners	5 years
Plant and equipment - other than air conditioners	15 years
Office Equipment (other than end user devices)	5 years
Office Equipment (end user devices)	3 years
Computer hardware and network installations (other than end user devices)	6 years
Computer hardware (end user devices)	3 years
End-user devices such as desktop, laptop, mobile phones etc.	3 years
Furniture and fittings	10 years
Vehicles	8 years
Electrical Installation	10 years

(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is

reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The management estimates the useful lives are as follows:

Category	Useful life upto
Computer software	Lower of license period or 3 to 5 years
Customer Contract	Over the period of contract
Non-Compete	Period of Non-Compete

Expenditure incurred during development of intangible assets is included under "Intangible Assets under Development". The same is allocated to the respective items of intangible assets on completion of the project.

(g) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with requirements of Ind AS 16 for cost model i.e. cost less accumulated depreciation.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in the statement of profit or loss in the period in which the property is derecognised.

(h) Business combination, Goodwill and Intangible assets

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs incurred in connection with a business combination are expensed as incurred.

a. Goodwill

The excess of the cost of acquisition over the Group's share in the fair value of the acquiree's

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

identifiable assets, liabilities and contingent consideration is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in capital reserve.

b. Intangible assets

Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Company are accounted for using pooling of interest method as if the acquisition had occurred at the beginning of the earliest comparative period presented. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the transferor company. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately as Capital reserve under common control.

(i) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amounts are presented in the standalone balance sheet when, and only when, the Company currently has

a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(j) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

(iii) Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

(iv) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Group, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- (i) For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- (ii) Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- (iii) For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(k) Financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as:

- Financial liabilities at amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. The change in measurements is recognised as finance costs in the statement of profit and loss.

- Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all change recognised in the statement of profit and loss.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

(l) Impairment

i. Financial assets

The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For trade receivables, the Group recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. Further, the Group considers information developed internally or obtained from external sources indicating that the debtor is unlikely to pay as constituting an event indicating credit impairment.

For other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ii. Non-financial assets (including goodwill)

The Group's non-financial assets, excluding deferred tax assets, are reviewed at each balance sheet date or whenever there is any indication of impairment based on internal/external factors. If any indications exist, the Group estimates the asset's recoverable amount.

For impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash flows from continuing use that are largely independent of the cash flows of other assets or CGUs. Goodwill acquired in a business combination is allocated to each of the CGUs that are expected to benefit from the synergies arising from the business combination.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

The recoverable amount of an asset or CGU is the greater of its fair value and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset or CGU.

An impairment loss is recognised wherever the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss. They are first allocated to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Impairment losses in respect of goodwill are not subsequently reversed.

(m) Derivative financial instruments

The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

(n) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds and interest on lease liabilities. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(o) Leases

Where the Group is a lessee

The Group lease asset classes primarily consist of leases for land, buildings, computer hardware and furniture. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Group changes its assessment of whether it will exercise a purchase,

extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease concessions received are accounted for as a lease modification and a corresponding adjustment is made to the carrying amount of the related right-of-use asset and lease liability.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing activity under cash flows statements.

Where the Group is a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets comprising land and building which are subject to operating leases are included under non-current assets as investment property and are carried at cost less accumulated depreciation. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

(p) Revenue

The Group derives revenue primarily from information technology services and business process outsourcing services. The Group recognises revenue when the performance obligations as promised have been satisfied with a transaction price and when there is no uncertainty as to measurement or collectability of the consideration.

The Group has applied the guidance in Ind AS 115, "Revenue from Contracts with Customers", by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering these services as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group collects indirect taxes like Goods and Service Tax, value added taxes (VAT) etc. on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Arrangements with customers for services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Revenue from fixed-price and fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

Revenue from licenses where the customer obtain a right to use are recognised at the time the licenses is made available to the customers.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as unearned revenues).

Unbilled revenue for fixed price contracts are classified as non-financial asset if the contractual right to consideration is dependent on completion of contractual milestones. Unbilled revenue on contracts other than above is classified as a financial asset.

(q) Other Income

Other income is comprised primarily of interest income, net gain on foreign exchange fluctuations, rental income and gain on investments. Interest income is recognised on a time proportion basis taking into account the carrying amount and the effective interest rate. Dividend income is recognised when the Group's right to receive dividend is established.

(r) Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising if any are recognised in other comprehensive income and accumulated in equity.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the statement of profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

For translating income, expense and cash flows items, during the year ended December 31, 2024, the rates

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

used were US \$ 1 = ₹ 83.67, Euro 1 = ₹ 90.52, Singapore \$ 1 = ₹ 62.62, Canadian \$ 1 = ₹ 61.07 and Mexican Peso 1 = ₹ 4.19. For translating assets and liabilities at the year-end, the rates used were US \$ 1 = ₹ 85.62, Euro 1 = ₹ 89.20, Singapore \$ 1 = ₹ 62.91, Canadian \$ 1 = ₹ 59.58 and Mexican Peso 1 = ₹ 4.12.

For translating income, expense and cash flows items, during the year ended December 31, 2023, the rates used were US \$ 1 = ₹ 82.57, Euro 1 = ₹ 89.29, Singapore \$ 1 = ₹ 61.47 and Canadian \$ 1 = ₹ 61.19. For translating assets and liabilities at the year-end, the rates used were US \$ 1 = ₹ 83.21, Euro 1 = ₹ 91.95, Singapore \$ 1 = ₹ 63.00 and Canadian \$ 1 = ₹ 62.79.

(s) Employee benefits

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all related employee benefits. The related risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

- (i) Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences and performance incentives are recognised on undiscounted basis in the year in which the employee renders the related service.
- (ii) The Group's contribution to social security plans such as provident fund, employee state insurance scheme, 401K etc. are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees
- (iii) Gratuity is a defined benefit obligation plan operated by the Company and its Indian subsidiaries for its employees covered under Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date and are charged

to the statement of profit and loss except for the re-measurements comprising of actuarial gains and losses which are recognised in full in the statement of other comprehensive income in the reporting period in which they occur. Re-measurements are not reclassified to statement of profit and loss subsequently.

The provision for gratuity recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets, if any. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

(iv) Compensated absences

The employees of the Group are entitled to compensated absences. The employees of the Group can carry forward a portion of the unutilised accumulating compensated absences and utilise it in the future periods or receive cash at the retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the service that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

Accumulated compensated absences which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulating compensated absences which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Non-accumulating compensated absences are recognised in the period in which the absences occur.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

The Group presents the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(t) Income taxes

Tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

The Group off sets current tax assets and current tax liabilities only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognised only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions

where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. MAT credit asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under deferred tax assets.

(u) Segment reporting

The Group determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Each segment item reported is measured at the measure used to report to the CODM for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Inter segment transfers:

The Group generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

Unallocated items:

The corporate and other segment includes general corporate income and expense items which are not allocated to any business segment.

(v) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources. The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

(w) Share based payments

The cost of equity-settled transaction is determined by the fair value of the options at the date of the grant and recognised as employee benefits expense over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The expense recognised in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based

payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

(x) Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(y) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

(z) Cash and cash equivalents

Cash and cash equivalents comprises bank balances, cash on hand and short term deposits with an original maturity period of three months or less.

(aa) Assets held for sale

The Group classifies non-current assets as held for sale when it is highly probable that they will be recovered primarily through sale rather than through continuing use. Items of property, plant and equipment, intangible assets and investment property, once classified as non-current assets, are no longer depreciated or amortised. Such assets are presented separately from the other assets in the Balance Sheet. They are measured at lower of their carrying value and fair value less cost to sell.

(ab) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of year. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and judgements

i. Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii. Income taxes

The Group's major tax jurisdiction is India, though the Group also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes.

The Group reviews carrying amount of deferred tax assets / liabilities at the end of each reporting period.

iii. Useful life of property, plant and equipment

The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

iv. Leases

The Group considers the extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability.

v. Impairment of goodwill

The calculation of value-in-use of cash generating unit involves use of significant estimates and assumptions, which include turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

vi. Business Combination and Intangible Assets

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the acquirer to recognise the identifiable intangible assets and consideration at fair value. Estimates are required to be made in determining the value of consideration, value of option arrangements and intangible assets. These valuations are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management.

vii. Employee benefit plans

The present value of provision for gratuity and other long-term employee benefit is based on actuarial valuation using the projected unit credit method. An actuarial valuation involved various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, provision for gratuity and other long-term employee benefit is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



Notes to Consolidated Financial Statements

for the year ended December 31, 2024

viii. Employee share-based payments

The Group measures compensation cost relating to employee share-based payments using the fair valuation method. Fair value of time-based restricted stock units (RSUs) was determined using Black Scholes model. The expected number of performance-based RSUs is determined using Monte Carlo Simulation.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Application of new and revised Indian Accounting Standards

- a) On August 12, 2024, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2024 effective from August 12, 2024 and amended/ issued the following Ind-ASs:
- Amendments to Ind AS 1 - Presentation of Financial Statements
 - Amendments to Ind AS 103 - Business Combinations
 - New accounting standard issued i.e. Ind-AS 117 Insurance Contracts.

- b) On September 09, 2024, MCA issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 effective from September 9, 2024 and amended the following Ind-AS:

- Amendments to Ind AS 116 - Leases"

- c) On September 28, 2024, MCA issued the Companies (Indian Accounting Standards) Third Amendment Rules, 2024 effective from September 28, 2024 and amended the following:

- Amendments to Rule 5 of Companies (Indian Accounting Standards) Rules, 2015.

The amendments did not have any material impact on the financial statements of the Group.

Amendments issued during the year which are not yet effective.

There are no new amendments which has been issued during the year and are not yet effective.

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for the year ended December 31, 2024

3 (a). Property, plant and equipment

(₹ in million)

Particulars	Buildings and leasehold improvements	Plant and equipment	Electric installation	Furniture and fittings	Computer hardware	Vehicles ¹	Office equipment	Total
At cost								
Gross Block								
As at January 01, 2023	144.51	59.81	20.41	127.10	1,256.29	118.49	68.31	1,794.92
Addition through	-	-	-	3.02	43.43	14.42	2.37	63.24
Acquisitions (refer to Note 36)								
Additions	3.98	5.58	-	3.31	106.13	26.19	4.22	149.41
Deletions	(1.36)	(1.59)	-	(1.47)	(42.05)	(29.12)	(2.04)	(77.63)
Foreign currency translation difference	1.32	-	(0.01)	1.27	13.69	(0.01)	0.90	17.16
As at December 31, 2023	148.45	63.80	20.40	133.23	1,377.49	129.97	73.76	1,947.10
Additions	1.71	2.63	-	1.42	125.56	19.44	2.89	153.65
Classified as held for sale (refer to Note 38)	(85.77)	(49.38)	(17.89)	(75.56)	(17.52)	-	(19.60)	(265.72)
Deletions	(0.41)	(3.30)	(1.84)	(6.32)	(161.27)	(23.85)	(9.33)	(206.32)
Foreign currency translation difference	(1.98)	-	-	(0.66)	1.48	0.08	(1.16)	(2.24)
As at December 31, 2024	62.00	13.75	0.67	52.11	1,325.74	125.64	46.56	1,626.47
Accumulated Depreciation								
As at January 01, 2023	75.88	39.30	19.32	106.90	754.97	37.25	55.35	1,088.97
Addition through	-	-	-	1.38	27.23	3.29	1.42	33.32
Acquisitions (refer to Note 36)								
Charge for the year	10.77	3.12	0.27	5.77	221.83	15.77	5.84	263.37
Deletions	(0.43)	(0.91)	-	(1.27)	(41.92)	(11.80)	(1.59)	(57.92)
Foreign currency translation difference	0.47	-	(0.01)	0.72	10.24	-	0.53	11.95
As at December 31, 2023	86.69	41.51	19.58	113.50	972.35	44.51	61.55	1,339.69
Charge for the year	12.41	4.38	0.23	6.56	213.48	15.75	5.75	258.56
Classified as held for sale (refer to Note 38)	(49.75)	(34.54)	(17.49)	(74.01)	(17.51)	-	(19.40)	(212.70)
Deletions	(0.41)	(2.99)	(1.84)	(5.42)	(160.44)	(14.70)	(8.89)	(194.69)
Foreign currency translation difference	(1.07)	-	-	(0.34)	1.26	0.03	(1.10)	(1.22)
As at December 31, 2024	47.87	8.36	0.48	40.29	1,009.14	45.59	37.91	1,189.64
Net Block								
As at December 31, 2023	61.76	22.29	0.82	19.73	405.14	85.46	12.21	607.41
As at December 31, 2024	14.13	5.39	0.19	11.82	316.60	80.05	8.65	436.83

Notes:

- Gross block of vehicles amounting to ₹ 56.72 million (as at December 31, 2023 : ₹ 57.52 million) are hypothecated against terms loans for vehicle financed from a non-banking financial corporation. Also refer to Note 13.
- Capital commitments

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Estimated amount of unexecuted capital contracts (A)	37.69	73.35
Capital advances (B)	-	70.40
Net capital commitment (A-B)	37.69	2.95

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3 (b). Capital work in progress ageing schedule

(₹ in million)

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2024	-	-	-	-	-
As at December 31, 2023	1.64	-	-	-	1.64

3 (c). Investment property

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Cost of land and building given on operating lease		
Balance at beginning of the year	35.96	35.96
Additions	-	-
Balance at the end of year	35.96	35.96
Accumulated depreciation		
Balance at beginning of the year	20.00	18.53
Charge for the year	1.49	1.47
Balance at the end of year	21.49	20.00
Net block	14.47	15.96

Measurement of fair values

Investment property consists of land and building situated at Pune, India. The Company has estimated that the fair value of investment property as at December 31, 2024 was ₹ 110.60 million (Previous year: ₹ 101.13 million). The estimate is based on the valuation by a registered valuer during the year. The fair value measurement for the investment property has been categorised as a Level 2.

3 (d). Right-of-use assets

(₹ in million)

Particulars	Land Leasehold	Building	Computer hardware	Furniture and fittings	Computer software	Total
Gross Block						
As at January 01, 2023	15.30	809.59	17.39	110.49	2.71	955.48
Addition through Acquisitions (refer to Note 36)	-	43.38	-	-	-	43.38
Additions	-	48.13	-	-	-	48.13
Modification of lease	-	(8.02)	-	(3.60)	-	(11.62)
Retirement on completion/termination of lease	-	(37.06)	-	-	-	(37.06)
Foreign currency translation difference	-	13.05	0.60	-	0.10	13.75
As at December 31, 2023	15.30	869.07	17.99	106.89	2.81	1,012.06
Additions	-	32.91	-	-	-	32.91
Modification of lease	-	(10.77)	-	(2.88)	-	(13.65)
Classified as held for sale (refer to Note 38)	(15.30)	-	-	-	-	(15.30)
Retirement on completion/termination of lease	-	(47.18)	(17.72)	-	(2.77)	(67.67)
Foreign currency translation difference	-	(3.58)	(0.27)	-	(0.04)	(3.89)
As at December 31, 2024	-	840.45	-	104.01	-	944.46
Accumulated Depreciation						
As at January 01, 2023	3.98	217.88	13.08	25.44	2.70	263.08
Addition through Acquisitions (refer to Note 36)	-	18.33	-	-	-	18.33
Charge for the year	0.18	116.38	4.17	10.77	-	131.50
Retirement on completion/termination of lease	-	(37.06)	-	-	-	(37.06)
Foreign currency translation difference	-	7.01	0.55	-	0.10	7.66
As at December 31, 2023	4.16	322.54	17.80	36.21	2.80	383.51
Charge for the year	0.16	125.59	0.11	10.11	0.01	135.98
Classified as held for sale (refer to Note 38)	(4.32)	-	-	-	-	(4.32)
Retirement on completion/termination of lease	-	(43.75)	(17.64)	-	(2.77)	(64.16)
Foreign currency translation difference	-	(2.09)	(0.27)	-	(0.04)	(2.40)
As at December 31, 2024	-	402.29	-	46.32	-	448.61
Net Block						
As at December 31, 2023	11.14	546.53	0.19	70.68	0.01	628.55
As at December 31, 2024	-	438.16	-	57.69	-	495.85

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

3 (e). Goodwill

(₹ in million)	
Particulars	Amount
As at January 01, 2023	108.62
Addition through Acquisitions (refer to Note 36)	2,725.46
Foreign currency translation difference	2.50
As at December 31, 2023	2,836.58
Foreign currency translation difference	(0.34)
As at December 31, 2024	2,836.24

Impairment testing:

Goodwill amounting to ₹ 2,657.40 million (previous year ₹ 2,657.40 million) and ₹ 68.06 million (previous year ₹ 68.06 million) pertains to the acquisition of Velotio Technologies Private Limited and Scaleworx Technologies Private Limited, respectively (refer to Note 36). The recoverable amount of this Cash-Generating Unit (CGU) is determined based on a value in use calculation which uses cash flow projections covering a five-year period, and a pre-tax discount rate of 15.40% per annum. The annual growth rate of 5% is used subsequent to the forecast period of 5 years.

The Company has conducted an analysis of the sensitivity of the key assumptions used i.e. operating margin, discount rates and long-term average growth rate to determine the recoverable amount for CGU to which goodwill is allocated. Based on analysis, the Company did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

The remaining amount of goodwill of ₹ 111.12 million and ₹ 110.78 million as at December 31, 2024 and December 31, 2023, respectively, (relating to different CGUs which are individually immaterial) has been evaluated based on the cash flow forecasts of the related CGUs and the recoverable amounts of these CGUs exceeded their carrying amounts.

3 (f). Other intangible assets

(₹ in million)				
Particulars	Software	Non-compete	Customer contract	Total
At cost				
Gross Block				
As at January 01, 2023	146.98	83.97	23.70	254.65
Addition through Acquisitions (refer to Note 36)	-	536.00	1,765.87	2,301.87
Additions	0.56	-	-	0.56
Deletions	(5.28)	(81.20)	-	(86.48)
Foreign currency translation difference	(1.06)	(0.13)	0.92	(0.27)
As at December 31, 2023	141.20	538.64	1,790.49	2,470.33
Additions	0.04	-	-	0.04
Deletions	(59.10)	-	-	(59.10)
Foreign currency translation difference	(0.90)	0.08	(0.55)	(1.37)
As at December 31, 2024	81.24	538.72	1,789.94	2,409.90
Accumulated amortisation				
As at January 01, 2023	135.10	65.87	22.29	223.26
Addition through Acquisitions (refer to Note 36)	-	-	4.27	4.27
Charge for the year	5.14	55.05	87.51	147.70
Deletions	(5.28)	(81.20)	-	(86.48)
Foreign currency translation difference	(0.42)	(0.12)	0.92	0.38
As at December 31, 2023	134.54	39.60	114.99	289.13
Charge for the year	4.05	77.08	176.57	257.70
Deletions	(59.08)	-	-	(59.08)

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

3 (f). Other intangible assets (Contd..)

(₹ in million)

Particulars	Software	Non-compete	Customer contract	Total
Foreign currency translation difference	(0.92)	0.07	(0.55)	(1.40)
As at December 31, 2024	78.59	116.75	291.01	486.35
Net Block				
As at December 31, 2023	6.66	499.04	1,675.50	2,181.20
As at December 31, 2024	2.65	421.97	1,498.93	1,923.55

3 (g). Intangible assets under development ageing schedule

(₹ in million)

Projects in progress	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2024	40.53	-	-	-	40.53
As at December 31, 2023	-	-	-	-	-

As on the date of the balance sheet, there is no intangible asset under development whose completion is overdue or has exceeded the cost, based on approved plan.

4. Investments

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Non-current investments		
Unquoted investments (fully paid), measured at FVTPL		
Investment in Saraswat Co-operative Bank Ltd		
2,500 (previous year 2,500) shares of ₹ 10 each fully paid up	0.03	0.03
Total investments measured at FVTPL	0.03	0.03
Aggregate carrying value of Non-current unquoted investments	0.03	0.03

5. Other non-current financial assets

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Security deposits	25.67	47.43
Margin money deposits (refer to Note 8b)	32.24	66.98
Interest accrued on bank deposits	0.13	0.68
Staff advance	0.17	0.05
	58.21	115.14

6. Other non-current assets

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Capital advances	-	70.40
Prepaid expenses	37.91	56.19
	37.91	126.59

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

7. Trade receivables (Unsecured)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good	2,573.09	2,503.99
Unsecured, credit impaired	76.26	126.24
Less: Allowance for doubtful debts (expected credit loss allowance)	(76.26)	(126.24)
	2,573.09	2,503.99

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2024							
Undisputed, considered good	1,830.01	736.20	3.55	3.33	-	-	2,573.09
Undisputed, credit impaired	8.17	18.98	34.65	6.52	7.47	-	75.79
Disputed, credit impaired	-	-	0.47	-	-	-	0.47
As at December 31, 2023							
Undisputed, considered good	1,684.25	808.58	9.03	2.13	-	-	2,503.99
Undisputed, credit impaired	18.79	51.03	35.79	13.33	1.65	0.35	120.94
Disputed, credit impaired	-	4.75	0.55	-	-	-	5.30

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Group estimates the following matrix at the reporting date.

Particulars	Ageing *			
	Not due-90 days	90-180 days	180-365 days	More than 365 days*
Default rate as at December 31, 2024	0.00% - 0.36%	0.00% - 0.97%	0.17% - 2.00%	2.00%
Default rate as at December 31, 2023	0.00% - 0.38%	0.07% - 1.32%	0.31% - 2.00%	2.00%

* In case of probability of non-collection, credit loss rate is 100%

Movement in expected credit loss allowance:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	126.24	65.17
Provision added through acquisition	-	10.78
Provision for doubtful debts (net)	710	68.98
Bad debts written off	(57.69)	(16.25)
Effect of foreign exchange fluctuation / translation	0.61	(2.44)
Balance at the end of the year	76.26	126.24

8a. Cash and cash equivalents

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
(a) Cash on hand	1.01	0.90
(b) Balances with scheduled banks		
(i) in current accounts	221.86	143.70
(ii) in EEFC accounts	110.02	58.92
(iii) in deposit accounts with original maturity of less than 3 months	167.58	35.42
(c) Balances with other banks		
(i) in current accounts	1176.51	1,247.79
(ii) in deposit accounts with original maturity of less than 3 months	223.91	86.77
Cash and cash equivalents	1,900.89	1,573.50

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

8b. Bank balances other than cash and cash equivalents

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
(a) In other deposit accounts		
(i) original maturity more than 12 months	47.47	112.74
(ii) original maturity more than 3 months but less than 12 months	32.87	136.70
(iii) held as margin money	32.24	66.98
Deposits with banks	112.58	316.42
Less: Bank deposits with original maturity of more than 12 months disclosed under Note 9	(47.47)	(112.74)
Less: Margin money deposit disclosed under Note 5	(32.24)	(66.98)
	32.87	136.70
(b) Balances with scheduled banks		
(i) in unclaimed dividend accounts	3.70	2.53
(ii) Bank Balance towards interim dividend (refer to Note 37)	-	804.46
Bank balances other than cash and cash equivalents	36.57	943.69

9. Other current financial assets

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Staff advance	8.29	11.99
Unbilled revenue (refer to Note 22)	697.05	632.44
Security deposits	30.53	4.94
Bank deposits with original maturity of more than 12 months (refer to Note 8b)	47.47	112.74
Mark-to-market gain on derivative instruments (refer to Note 31)	-	9.86
Interest accrued on bank deposits	2.40	0.22
Others	11.92	33.33
	797.66	805.52

10. Other current assets

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Balances with indirect tax authorities	142.14	105.07
Unbilled revenue (refer to Note 22)	126.23	86.51
Prepaid expenses	224.31	225.61
Advance to vendors	7.85	15.11
Tour and travel advance	1.83	2.76
	502.36	435.06

11. Equity share capital

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Authorised		
206,000,000 (December 31, 2023: 206,000,000) equity shares of ₹ 1 each	206.00	206.00
Issued, subscribed and fully paid up		
118,303,445 (December 31, 2023: 118,303,445) equity shares of ₹ 1 each	118.31	118.31
	118.31	118.31

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

11. Equity share capital (Contd..)

Notes:

(a) Reconciliation of number of shares and amount of share capital outstanding at the beginning and at the closing of the year:

Particulars	Year ended December 31, 2024		Year ended December 31, 2023	
	Number of shares	₹ in million	Number of shares	₹ in million
At the beginning of the year	118,303,445	118.31	118,303,445	118.31
Changes during the year	-	-	-	-
Outstanding at the closing of the year	118,303,445	118.31	118,303,445	118.31

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates:

Particulars	As at December 31, 2024	As at December 31, 2023
BCP Asia II Topco II Pte Ltd.	61,433,005	61,433,005

No shares are held by the ultimate holding company. Refer to Note 35 with respect to ultimate holding company.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(i) Shares issued pursuant to merger of RightMatch Holdings Limited:

The scheme of amalgamation was approved by Hon'ble National Company Law Tribunal, New Delhi vide order dated February 01, 2021 and the Supreme Court of Mauritius vide order dated September 14, 2020 and amended order dated September 21, 2020, between RightMatch Holdings Limited (RightMatch) and the Company and their respective shareholders and creditors. Pursuant to the necessary filing with appropriate statutory authorities in India and Mauritius, the scheme became effective on March 09, 2021 and 8,828,489 fully paid equity shares of the face value of ₹ 1/- each of the Company were issued and allotted to the equity shareholders of RightMatch in the proportion of their respective equity shareholding in RightMatch and equivalent number of shares of the Company as held by RightMatch were cancelled and extinguished.

(ii) Shares bought back:

During the year ended December 31, 2021, the Company bought back 1.33 million equity shares of ₹ 1 each at a price of ₹ 225/- per equity share, payable in cash for a total consideration of ₹ 299.93 million by utilising the securities premium account of ₹ 46.66 million, general reserve of ₹ 155.04 million and retained earnings to the extent of ₹ 96.90 million. The capital redemption reserve was created out of retained earnings for ₹ 1.33 million being the nominal value of equity shares bought back in terms of Section 68 of the Companies Act, 2013. The equity shares bought back were extinguished on October 14, 2021. Further, the Company has apportioned ₹ 69.87 million out of retained earnings towards tax on aforesaid buy-back.

(e) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at December 31 2024		As at December 31 2023	
	No. of shares held	% of Holding	No. of shares held	% of Holding
BCP Asia II Topco II Pte Ltd.	61,433,005	51.93%	61,433,005	51.93%
Bhavook Tripathi	24,313,676	20.55%	36,508,810	30.86%

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for the year ended December 31, 2024

11. Equity share capital (Contd..)

As per secretarial records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(f) Shareholding of promoters

Name of promoter	As at December 31 2024		As at December 31 2023		Percentage change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Promoters:					
BCP Asia II Topco II Pte Ltd.	61,433,005	51.93%	61,433,005	51.93%	-

(g) Employees Stock Option Plan:

On November 15, 2023 Shareholders of the Company, upon approval of the Board of Directors of the Company and recommendation of the Nomination, Remuneration and Compensation Committee ("NRCC"), have approved R Systems International Limited Management Incentive Plan 2023 ("Plan") to grant the eligible employees of the Company and its subsidiaries, such number of employee stock options ("Options") and restricted stock units ("RSUs") exercisable into not more than 8,000,000 (Eight million) equity shares of face value ₹ 1/- each.

During the year ended December 31, 2024, the NRCC has approved the grant of 5,907,586 (Fifty Nine Lakhs Seven Thousand Five Hundred Eighty Six only) RSUs under the plan to the identified employees of the Company and its subsidiaries. The plan is implemented and administered by the NRCC. Each RSUs shall vest into one equity share as per the terms and conditions mentioned in the Plan at an exercise price of ₹ 1/- per share.

Based upon the vesting criteria, the RSU's have been classified as time-based RSU's and Performance-based RSU's.

Time-based RSUs:

In case of time-based RSUs, the vesting period is 60 months (20% vesting in each year) commencing from the date of grant as per the vesting schedule.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2024
Outstanding at the beginning of the year	-
Granted during the year	579,114
Exercised during the year	-
Forfeited / lapsed / surrendered	(40,870)
Outstanding at the end of the year	538,244
Weighted average remaining contractual life at the end of the year	2.05 years

The weighted average fair value of time-based RSUs on the date of grant is ₹ 498.60 The Black-Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Inputs	Options granted during the year ended December 31, 2024
Weighted average share price on date of grant	₹ 518.74
Exercise price	₹ 1
Expected volatility (in %)*	33.3% to 48.36%
Life of RSUs granted during the year	5 years i.e. 20% vesting at the end of each year from the date of grant
Exercise period [#]	5 years
Expected Dividend yield (in %)	1.70%
Risk-free interest rate (in %)	6.48% to 7.03%

* Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#] RSUs shall be automatically exercised upon vesting.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

11. Equity share capital (Contd..)

Performance-based RSUs:

The vesting of Performance-based RSUs will be determined subject to satisfaction of the performance obligations as stated under the Plan.

The movement in such options during the year is set out below:

Number of RSU	Year ended December 31, 2024
Outstanding at the beginning of the year	-
Granted during the year	5,328,472
Exercised during the year	-
Forfeited / lapsed / surrendered	(142,011)
Outstanding at the end of the year	5,186,461
Weighted average remaining contractual life at the end of the year	5.36 years

In order to determine total performance-based RSUs that are possible to vest i.e. fulfilment of the performance obligations, Monte Carlo Simulation ("MCS") method has been used. As per the MCS method, the external valuer has arrived that the performance obligation will be fulfilled by May 10, 2030 and 50% of the performance-based RSUs will vest. Various assumptions/inputs used for valuation exercise is given below:

Inputs	Options granted during the year ended December 31, 2024
Weighted average share price on date of grant	₹ 521.94
Exercise price	₹ 1
Expected volatility (in %)*	47.30% to 48.30%
Expected Life of RSUs and exercise period [#]	5.36 years
Expected dividend yield (in %)	1.70%
Risk-free interest rate (in %)	6.70% to 7.00%

* Volatilities have been considered for respective time periods using the listed stock prices of the Company.

[#] RSUs shall be automatically exercised upon vesting.

During the year ended December 31, 2024, the Group has recorded ₹ 298.86 million as share based payment expense relating to RSU granted to the employees of the Parent Company and its subsidiaries.

Subsequent to the year ended December 31, 2024, the Company has allotted 68,506 equity shares of ₹ 1/- each on January 17, 2025, upon the exercise of 68,506 Restricted Stock Units (RSUs) under the Plan.

12. Other equity

Particulars	(₹ in million)	
	As at December 31, 2024	As at December 31, 2023
a. Capital reserve under common control	(0.34)	(0.34)
Capital reserve under common control represent reserves recorded upon business transfer under common control.		
b. Capital reserve other	0.03	0.03
Capital reserve other represent excess of the net assets of subsidiary over the value of the amount of the consideration paid in the consolidated financial statements		
c. Capital redemption reserve	5.02	5.02
Capital redemption reserve was created by transfer from general reserve of an amount equal to the nominal value of equity shares bought back by the Company. It is utilised in accordance with the provisions of the Companies Act, 2013.		

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

12. Other equity (Contd..)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
d. Share based payment reserve	298.86	-
The share-based payment reserve account is used to record the value of equity-settled share based payment transactions with the employees of the Company and its subsidiaries. The amounts recorded in this account are transferred to securities premium account upon exercise of stock options by the employees.		
e. Retained earnings	5,210.72	5,386.98
Retained earnings comprises undistributed earnings after taxes.		
f. Other comprehensive income		
Foreign currency translation reserve	607.90	604.37
Exchange difference relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.		
Other equity	6,122.19	5,996.06

Note:

(1) Year-wise movement of the individual line items above is given in the Consolidated Statement of Changes in Equity.

13. Non- current borrowings (at amortised cost)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Term loans		
- Motor vehicle loan from non-banking financial company (secured)	24.47	27.58
Less:		
Current maturities of term loans (disclosed under Note 17)	11.46	10.64
	13.01	16.94

Notes:

(1) Motor vehicle loans are secured by hypothecation of underlying motor vehicles and carries interest rate ranging from 7.30% to 9.63% per annum. The term loans are repayable in equated monthly instalments ranging from 36 to 60 months from the date of loan.

14. Lease liabilities

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Non-Current	561.28	631.14
Current	90.21	101.45
	651.49	732.59

Movement schedule of lease liability is as follows:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Opening balance	732.59	750.80
Addition through Acquisitions (refer to Note 36)	-	25.88
Additions during the year	32.91	48.13
Modification of lease	(13.65)	(11.62)
Cancellation / termination of lease	(2.61)	-
Interest accrued on lease liability	60.67	62.05
Payment of lease liability	(156.05)	(149.14)
Effect of foreign exchange fluctuation / translation	(2.37)	6.49
Closing balance	651.49	732.59

Rental expense recorded for short-term leases was ₹9.85 million (previous year ₹21.18 million) for the year ended December 31, 2024

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

15. Other non-current financial liabilities

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Security deposit	12.18	12.01
	12.18	12.01

16. Provisions (non-current)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits		
- Gratuity	327.63	282.00
	327.63	282.00

Refer to Note 24 for detailed disclosures of gratuity.

17. Borrowings (current)

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Secured		
Cash credit facility from scheduled banks (refer Note below)		
ICICI Bank Limited	52.86	263.79
Axis Bank Limited	-	287.81
Current maturities of term loans	11.46	10.64
	64.32	562.24

- (1) Cash credit limit / bank guarantee / loan equivalent risk / letter of credit is secured by pari-passu charge by way of hypothecation of entire current assets. The quarterly statements filed by the company with the banks are in agreement with the books of account.
- (2) Cash credit facility from ICICI Bank Limited is repayable on demand and carries interest @ 6 months I-MCLR.
- (3) Cash credit facility from Axis Bank Limited is repayable on demand and carries interest @ 1 months MCLR plus a spread of 0.10% p.a.

18. Trade payables

Trade payable ageing schedule:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at December 31, 2024					
Micro enterprises and small enterprises	3.30	-	-	-	3.30
Others	183.55	-	-	-	183.55
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	186.85	-	-	-	186.85
Accrued expenses					219.38
Total					406.23
As at December 31, 2023					
Micro enterprises and small enterprises	-	-	-	-	-
Others	160.10	-	-	0.77	160.87
Disputed dues - Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	160.10	-	-	0.77	160.87
Accrued expenses					209.89
Total					370.76

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for the year ended December 31, 2024

18. Trade payables (Contd..)

Dues to micro, small and medium enterprises

Details of amount due to micro, small and medium enterprises are as follows:

Particulars	(₹ in million)	
	As at December 31, 2024	As at December 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	3.30	Nil
The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

19. Other current financial liabilities

Particulars	(₹ in million)	
	As at December 31, 2024	As at December 31, 2023
Security deposits received	13.37	12.31
Unclaimed dividend	3.70	2.53
Interim dividend payable	-	689.55
Mark-to-market loss on derivative instruments (refer to Note 31)	55.45	0.46
Employee benefits payable	812.61	746.87
Capital creditors	0.71	0.65
Advance from customers	14.46	15.14
Payable to erstwhile shareholders of subsidiary (refer to Note 36)	-	56.67
Interest accrued but not due	0.39	2.97
Other financial liabilities	7.73	8.00
	908.42	1,535.15

20. Other current liabilities

Particulars	(₹ in million)	
	As at December 31, 2024	As at December 31, 2023
Tax deducted on dividend	-	114.91
Other statutory dues payable	237.78	221.85
Unearned revenues (refer to Note 22)	249.21	297.45
Advance received towards sale of assets (refer to Note 38)	70.00	-
	556.99	634.21

21. Provisions (current)

Particulars	(₹ in million)	
	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits		
- Gratuity	43.28	23.34
- Compensated absences	339.52	317.05
Provision for CSR	0.41	1.76
	383.21	342.15

Refer to Note 24 for detailed disclosures of gratuity.

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22. Revenue from operations

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Sale of services	17,417.27	16,845.18
	17,417.27	16,845.18

Disaggregate revenue information

The table below presents disaggregated revenues from the Group's contracts with customers by geography and customer's industry type. The Company believes this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Revenue by geography:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
India	408.90	317.46
North America	12,930.18	12,462.54
South East Asia	2,321.59	2,153.73
Europe	1,551.24	1,693.60
Others	205.36	217.85
	17,417.27	16,845.18

Revenue by customer's industry type :

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Tech, Internet and Platforms	3,651.77	3,726.10
Health	2,232.43	2,430.85
Manufacturing & Logistics (M&L)	2,210.47	1,811.18
Telecom, Media & Entertainment (TME)	3,093.98	3,051.37
Banking, Finance & Insurance (BFSI)	2,637.27	2,627.22
Services	3,591.35	3,198.46
	17,417.27	16,845.18

Trade receivables and contract balances

The company classifies the right to consideration in exchange for deliverables as either receivable or as unbilled revenue.

Revenue for time and material contracts are recognised as related service are performed. Revenue for fixed price maintenance contracts is recognised on a straight line basis over the period of contract. Revenue in excess of billing is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in the contract. This would result in timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial assets as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings is classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in Balance Sheet.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosures provide the aggregate amount of transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Group expects to recognise these amounts as revenue. The Group has applied the practical expedients as given in IND AS 115. Accordingly, the Group has not disclosed the remaining performance obligations related disclosures where the revenue recognised corresponds directly with the value to customer of the entity's performance completed to

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for the year ended December 31, 2024

22. Revenue from operations (Contd..)

date, typically those contracts where invoicing is on the basis of time-and-material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment of revenue that has not materialised and adjustments for currency.

Disclosure relating to remaining performance obligation relating to fixed bid price contracts require the aggregate amounts of transaction price yet to be recognised as revenue at the reporting date and expected timelines to recognise these amounts. In view of the fact that all outstanding contracts have an original expected duration for completion of less than a year no disclosure is warranted.

23. Other income

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Interest income on		
- Bank deposit	32.15	65.73
- Financial instruments measured at amortised cost	2.44	1.50
- Others	2.61	0.11
Rental income from investment property	7.86	6.72
Foreign exchange fluctuation (net)	-	23.15
Liability no longer required written back	21.34	5.38
Net gain on fair value of investment in associates (refer to Note 36)	-	2.04
Net gain on disposal / fair valuation of investments	-	4.62
Miscellaneous income	16.74	6.08
	83.14	115.33

24. Employee benefits expense

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, wages and bonus	10,731.57	10,464.39
Gratuity expenses	75.62	62.35
Contribution to social security plans	521.09	529.27
Staff welfare expenses	284.05	279.34
Employee share based payment expense	298.86	-
	11,911.19	11,335.35

(a) The Code on Social Security, 2020 (the 'Code')

The Code relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group companies incorporated in India will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(b) Gratuity

The Group companies incorporated in India have a defined benefit gratuity plan that provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment in accordance with the "Payment of Gratuity Act, 1972". The amount is based on the respective employee's last drawn salary and the tenure of employment with the Companies.

Amount recognised in the statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Service cost	55.00	45.47
Net interest cost	20.62	16.88
Net gratuity expense recognised in profit and loss	75.62	62.35
Re-measurement loss / (gain) recognised in other comprehensive income	12.14	8.96
Total Cost Recognised in total comprehensive Income	87.76	71.31

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

24. Employee benefits expense (Contd..)

Details of defined benefit gratuity plan:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Defined benefit obligation	380.11	324.16
Fair value of plan assets	(9.21)	(18.82)
Net defined benefit obligation	370.91	305.34

Changes in the defined benefit obligation are as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Opening defined benefit obligation	324.16	243.42
Added through Acquisition (refer Note 36)	-	32.52
Service cost	55.00	45.47
Interest cost	21.99	17.70
Benefits paid	(34.66)	(26.19)
Actuarial (gains) / losses on obligation	13.62	11.24
Closing defined benefit obligation	380.11	324.16

Changes in the fair value of plan assets are as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Opening fair value of plan assets	18.82	11.04
Expected return	1.37	0.82
Contributions by the employer	17.39	30.63
Benefits paid	(29.86)	(25.96)
Actuarial gains / (losses) on plan assets	1.49	2.29
Closing fair value of plan assets	9.21	18.82

Amounts recognised in other comprehensive income:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Actuarial (gain) / loss due to demographic assumption changes in defined benefit obligation	1.87	-
Actuarial (gain) / loss due to financial assumption changes in defined benefit obligation	8.75	3.22
Actuarial (gain) / loss from experience adjustment changes in defined benefit obligation	3.01	8.02
Return on plan assets (greater) / less than discount rate	(1.49)	(2.28)
Re-measurement loss / (gain) recognised in OCI	12.14	8.96

Sensitivity Analysis

Sensitivity analysis for each significant actuarial assumptions namely discount rate and salary assumptions is given below:

(₹ in million)

Defined Benefit Obligation	As at December 31, 2024	As at December 31, 2023
Discount rate		
a. Discount rate - 100 basis points	401.79	346.37
b. Discount rate + 100 basis points	360.60	304.49
Salary increase rate		
a. Rate - 100 basis points		
b. Rate + 100 basis points	362.67	306.80
	398.35	342.33

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

24. Employee benefits expense (Contd..)

Maturity Profile of Defined Benefit Obligation

(₹ in million)

Expected Future Cashflows (Undiscounted)	As at December 31, 2024	As at December 31, 2023
Year 1	52.49	42.17
Year 2	55.14	38.13
Year 3	51.76	39.41
Year 4	45.21	35.99
Year 5	42.60	30.12
Year 6 to10	159.13	131.70
Year 10 +	187.99	261.35

The major categories of plan assets as a percentage of the fair value of total plan assets:

Particulars	As at December 31, 2024	As at December 31, 2023
Investments with Life Insurance Corporation of India	100%	100%

The principal assumptions used in determining gratuity are shown below:

(A) Financial Assumptions

Particulars	As at December 31, 2024	As at December 31, 2023
Discount rate	6.83% - 6.90%	7.20% - 7.31%
Salary Increment rate	Up to 10%	Up to 10%

(B) Demographic Assumptions

Particulars	As at December 31, 2024	As at December 31, 2023
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate - Average	10% to 25%	10% to 25%
Retirement age	60 Yrs.	60 Yrs.

25. Finance cost

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Interest expense on term loans	22.95	24.25
Interest expense on lease liabilities (refer to Note 14)	60.67	62.05
Interest expense under income tax	0.33	3.20
	83.95	89.50

26. Depreciation and amortisation expense

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Depreciation on property, plant and equipment	258.56	263.37
Depreciation on investment property	1.49	1.47
Depreciation on right-of-use assets	135.98	131.50
Amortisation of intangible assets	257.70	147.70
	653.73	544.04

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

27. Other expenses

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Power and fuel	58.90	55.00
Rent - premises	57.00	62.63
Software subscription charges	250.00	216.53
Repair and maintenance	72.41	73.98
Commission	3.69	4.66
Travelling and conveyance	273.78	252.42
Communication costs	98.24	115.65
Legal and professional fees (including subcontracting expenses)	1,358.72	1,437.77
Cost of third party items	369.00	295.01
Auditors' remuneration [refer to Note (i) below]	36.06	29.08
Foreign exchange fluctuation (net)	10.86	-
Provision for doubtful debts (net)	7.10	68.98
Provision for doubtful advances (net)	10.73	-
Loss on sale / discarding of property, plant and equipment (net)	0.09	4.48
Loss on cancellation of leases (net)	0.82	-
Contribution towards corporate social responsibility [refer to Note (ii) below]	32.36	23.27
Miscellaneous expenses	296.76	346.90
	2,936.52	2,986.36

(i) Detail of auditors remuneration

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
As auditor of the Company:		
- Statutory audit fee	2.40	2.40
- Quarterly audit / limited review fee	3.30	3.30
- Certification	0.89	0.45
- Out-of-pocket expenses	1.13	0.72
Audit & other fees to the subsidiaries auditors	28.34	22.21
	36.06	29.08

(ii) Contribution towards corporate social responsibility

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Amount required to be spent by the Company during the year	32.36	23.27
Amount spent by the Company	32.36	23.27
Shortfall at the end of the year	-	-

Nature of CSR activities:

The Company has spend on the following projects/initiatives:

1. Promoting and imparting education including special education, skill development etc.;
2. Providing support for orphans and disabled children;
3. Women empowerment and skill development;
4. Environmental sustainability; and
5. Research, development and education in the area of science and technology.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

28. Income tax

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Current income tax		
In respect of the current year	726.95	607.58
In respect of the prior periods	(48.57)	6.01
Deferred tax credit	(75.18)	(14.43)
Income tax expense recognised in the statement of profit and loss	603.20	599.16
Income tax recognised in other comprehensive income		
Deferred tax credit relating to re-measurements of the defined benefit plans	(2.85)	(2.95)
	600.35	596.21

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Profit before tax	1,915.02	2,000.22
Enacted income tax rate in India	34.944%	34.944%
Computed expected tax expense	669.18	698.96
Tax effect of:		
Income exempt from tax [#]	(161.63)	(240.20)
Temporary differences reversing during the tax holiday period	(19.53)	(3.41)
Impact of change in future tax rate [*]	101.10	-
Temporary differences not recognised in earlier year	5.95	6.25
Expenses that are not deductible in determining taxable profit	98.63	86.07
Different tax rates of other tax jurisdictions	(34.49)	49.90
True-up of tax provisions related to previous years	(48.57)	6.01
Others	(7.44)	(4.42)
Income tax expense recognised in the statement of profit and loss	603.20	599.16

[#] The Parent Company has two units at Greater Noida registered as Special Economic Zone (SEZ) units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961.

^{*}The Parent Company may opt for tax rate of 22% plus surcharge and cess (totaling to 25.17%) as specified under section 115BAA of the Income Tax Act, 1961, while filing return of income for financial year effective April 01, 2025. Consequently, the Company has remeasured deferred tax balances to give effect to the lower rate of income tax under new tax regime. Accordingly, deferred tax balances have been remeasured during the year ended December 31, 2024.

Deferred tax

Deferred tax assets / (liabilities) as at December 31, 2024 in relation to:

(₹ in million)

Particulars	As at January 01, 2024	Added Through Acquisition (refer to Note 36)	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	Foreign Currency translation difference	As at December 31, 2024
Property, plant and equipment and Intangible assets	(8.12)	-	18.28	-	-	0.54	10.70
Right-of-use assets and lease liabilities	46.94	-	0.17	-	-	(0.05)	47.06
Provision for doubtful debts	19.22	-	(3.65)	-	-	0.01	15.58
Difference on account of Revenue Recognition	(1.74)	-	3.91	-	-	0.09	2.26
Provision for gratuity	102.73	-	(12.22)	2.85	-	-	93.36
Other employee benefits	141.25	-	(21.20)	-	-	(0.01)	120.04
Employee share based payment expense	-	-	72.63	-	-	(0.06)	72.57
Mark-to-market (gain) / loss on derivative instruments	(2.07)	-	16.14	-	-	-	14.07
MAT credit entitlement or Minimum corporate tax	12.69	-	3.55	-	-	-	16.24
Tax Losses	2.50	-	(2.51)	-	-	0.01	-
Other Differences	0.04	-	0.08	-	-	0.01	0.13
Total	313.44	-	75.18	2.85	-	0.54	392.01

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

28. Income tax (Contd...)

Deferred tax assets / (liabilities) as at December 31, 2023 in relation to:

(₹ in million)

Particulars	As at January 01, 2023	Added Through Acquisition (refer to Note 36)	Credited / (Charged) to profit and loss	Credited / (Charged) in other comprehensive income	Others	Foreign Currency translation difference	As at December 31, 2023
Property, plant and equipment and Intangible assets	(19.46)	(0.28)	11.56	-	-	0.06	(8.12)
Right-of-use assets and lease liabilities	31.11	0.55	15.27	-	-	0.01	46.94
Provision for doubtful debts	6.84	2.71	9.66	-	-	0.01	19.22
Difference on account of Revenue Recognition	(2.84)	-	0.86	-	-	0.24	(1.74)
Provision for gratuity	81.21	8.19	10.38	2.95	-	-	102.73
Other employee benefits	93.82	59.22	(12.27)	-	-	0.48	141.25
Mark-to-market (gain) / loss on derivative instruments	21.11	0.41	(23.59)	-	-	-	(2.07)
Net gain arising on financial assets measured at FVTPL	(2.01)	-	2.01	-	-	-	-
MAT credit entitlement or Minimum corporate tax	0.23	-	8.12	-	4.34	-	12.69
Tax Losses	4.42	-	(1.93)	-	-	0.01	2.50
Other Differences	5.44	-	(5.64)	-	-	0.24	0.04
Total	219.87	70.80	14.43	2.95	4.34	1.05	313.44

The Group has not recognised deferred tax assets on the following:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Unused tax losses of foreign jurisdictions *	1,733.91	1,825.93

*The unused tax losses will expire based on tax laws of the relevant jurisdictions which is subject to the agreement with the Income Tax Authorities.

29. Earnings per share

The reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share is as follows:

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Net profit after tax (₹ in million)	1,311.82	1,401.06
Weighted average number of equity shares for calculating basic earnings per share	118,303,445	118,303,445
Add: Dilutive potential equity shares (refer to Note 11 and Note 36)	5,591,187	-
Weighted average number of equity shares for calculating diluted earnings per share	123,894,632	118,303,445
Earnings per share (Equity share of par value of ₹ 1/- each)		
Basic (₹)	11.09	11.84
Diluted (₹)	10.59	11.84

30. Financial instruments

The carrying values and fair values of financial instruments by categories are as follows:

(₹ in million)

Particulars	Note reference	Basis of measurement	As at December 31, 2024		As at December 31, 2023		Fair value hierarchy
			Carrying value	Fair value	Carrying value	Fair value	
Assets							
Investments in other equity instruments	4	FVTPL	0.03	0.03	0.03	0.03	Level 3
Trade receivables	7	Amortised cost	2,573.09	2,573.09	2,503.99	2,503.99	
Cash and cash equivalents	8a	Amortised cost	1,900.89	1,900.89	1,573.50	1,573.50	
Other bank balances	8b	Amortised cost	36.57	36.57	943.69	943.69	

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

30. Financial instruments (Contd..)

(₹ in million)

Particulars	Note reference	Basis of measurement	As at December 31, 2024		As at December 31, 2023		Fair value hierarchy
			Carrying value	Fair value	Carrying value	Fair value	
Mark-to-market gain on derivative instruments	9	FVTPL	-	-	9.86	9.86	Level 2
Other financial assets (Other than derivative instruments)	5,9	Amortised cost	855.87	855.87	910.80	910.80	
Total			5,366.45	5,366.45	5,941.87	5,941.87	
Liabilities							
Borrowings	13,17	Amortised cost	77.33	77.33	579.18	579.18	
Lease liabilities	14	Amortised cost	651.49	651.49	732.59	732.59	
Trade payables	18	Amortised cost	406.23	406.23	370.76	370.76	
Mark-to-market loss on derivative instruments	19	FVTPL	55.45	55.45	0.46	0.46	Level 2
Other financial liabilities (Other than derivative instruments)	15,19	Amortised cost	865.15	865.15	1,546.70	1,546.70	
Total			2,055.65	2,055.65	3,229.69	3,229.69	

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

31. Financial risk management

Financial risk factors and risk management objectives

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by team that has the appropriate skills, experience along with supervision. It is the Group's policy that no trading in derivative for speculative purposes shall be undertaken.

Foreign currency risk

The Group's exchange risk arises from its foreign currency revenues (primarily in U.S. Dollars and Euros). A significant portion of the Group's revenues are in these foreign currencies, while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Group's revenues measured in Rupees may decrease or vice versa.

Derivative financial instruments

The Group holds foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Group has not applied hedge accounting as these forward contracts do not qualify for hedge

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for the year ended December 31, 2024

31. Financial risk management (Contd..)

accounting. As at December 31, 2024, the Group has recognised mark-to-market liability of ₹ 55.45 million (previous year: mark-to-market asset (net) of ₹ 9.40 million) relating to aforesaid foreign currency forward contracts resulting in mark-to-market loss of ₹ 64.85 million (previous year mark-to-market gain of ₹ 109.10 million) for the year ended December 31, 2024 recorded as foreign exchange fluctuation.

The following table gives details in respect of outstanding foreign currency forward contracts:

Particulars	As at December 31, 2024	As at December 31, 2023
USD		
Foreign currency (million)	40.80	39.15
Average rate	85.28	84.07
Rupees (million)	3,479.48	3,291.15
EURO		
Foreign currency (million)	2.10	2.70
Average rate	94.38	93.38
Rupees (million)	198.21	252.12

The following table analyses Group's foreign currency exposure from non-derivative financial instruments as of December 31, 2024 and December 31, 2023:

As at December 31, 2024	Designated in foreign currency			(₹ in million)
	USD	EURO	Others [#]	Total
Trade receivables	1,352.05	35.84	92.28	1,480.17
Other financial assets	1.83	0.90	0.06	2.79
Cash and cash equivalents and bank balances	539.62	4.03	2.11	545.76
Trade and other payables	266.56	-	8.76	275.32

As at December 31, 2023	Designated in foreign currency			(₹ in million)
	USD	EURO	Others [#]	Total
Trade receivables	1,400.28	41.17	72.93	1,514.38
Other financial assets	1.48	-	1.72	3.20
Cash and cash equivalents and bank balances	394.02	7.19	7.14	408.35
Trade and other payables	126.68	0.00	34.01	160.69

[#] Others include currencies such as SGD, GBP, CAD, CHF, PHP etc.

Foreign currency sensitivity analysis

For the year ended December 31, 2024 and December 31, 2023, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies, would decrease / increase Group's profit before tax margin by approximately 1.0 % and 0.87%, respectively.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group cash flows as well as costs. The Group has availed floating rate borrowings in the form working capital demand loan and cash credit facility. For the year ended December 31, 2024, every one percentage increase / decrease in interest rates, would result in decrease / increase Group's profit before tax margin by approximately 0.03 % (previous year 0.28%).

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from deposits held with banks, investments with financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

31. Financial risk management (Contd..)

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

(₹ in million)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from top customer	969.35	1,104.01
Revenue from top 5 customers	2,624.27	2,841.10

No customer accounted for more than 10% of the revenue for the year ended December 31, 2024 and December 31, 2023. Further, there is one customer account for more than 10% of the receivable as at December 31, 2024 and one customer had more than 10% of the receivable as at December 31, 2023.

Investments including bank deposits

Credit risk on cash and bank balance is limited as the Group generally invests in deposits with banks. Investments primarily includes investment in liquid mutual funds having good rating. The Group does not expect any losses from non-performance by the counterparties.

Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The investment of surplus cash is governed by the Group's investment policy approved by the Board of Directors. The Group believes that the working capital is sufficient to meet its current requirements.

As at December 31, 2024, the Group had a working capital of ₹ 3,219.68 million including cash and cash equivalents and current fixed deposits of ₹ 1,981.23 million. As at December 31, 2023, the Group had a working capital of ₹ 2,578.80 million including cash and cash equivalents and current fixed deposits of ₹ 1,822.94 million. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(₹ in million)

Particulars	As at December 31, 2024					Total
	Up to 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	
Borrowings	65.03	8.64	4.25	2.66	-	80.58
Lease liabilities	144.72	111.49	81.71	169.49	499.91	1,007.32
Trade payables	406.23	-	-	-	-	406.23
Other financial liabilities	908.42	12.18	-	-	-	920.60
Total	1,524.40	132.31	85.96	172.15	499.91	2,414.73

(₹ in million)

Particulars	As at December 31, 2023					Total
	Up to 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	
Borrowings	564.18	9.81	5.85	3.04	-	582.88
Lease liabilities	160.51	135.04	99.84	164.90	585.70	1,145.99
Trade payables	370.76	-	-	-	-	370.76
Other financial liabilities	1,535.15	12.01	-	-	-	1,547.16
Total	2,630.60	156.86	105.69	167.94	585.70	3,646.79

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

32. Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective, when managing capital, is to maintain an optimal structure so as to maximise shareholder value. The capital structure is as follows:

(₹ in million)

Particulars	As at December 31, 2024	As at December 31, 2023
Total equity attributable to the equity share holders of the Group	6,240.50	6,114.37
As percentage of total capital	89.54%	82.34%
Term loans for motor vehicles (including current maturities)	24.47	27.58
Working capital loans from banks	52.86	551.60
Lease liabilities (including current maturities)	651.49	732.59
Total borrowings and lease liabilities	728.82	1,311.77
As percentage of total capital	10.46%	17.66%
Total capital (equity, borrowings and lease liabilities)	6,969.32	7,426.14

33. Financial Ratios

Ratio/Measure	Numerator	Denominator	Year ended December 31, 2024	Year ended December 31, 2023	% Variance	Reason for variance
a. Current Ratio (times)	Current assets	Current liabilities	2.24	1.70	31.74%	Due to decrease in short-term borrowings
b. Debt-Equity Ratio (%)	Total Debt (borrowings + lease liabilities)	Shareholders' equity	11.68%	21.45%	-45.56%	Due to decrease in short-term borrowings
c. Debt Service Coverage Ratio (times)	Earnings available for debt service ¹	Debt service ²	10.93	11.03	-0.94%	
d. Return on Equity Ratio (%)	Profit for the year	Average shareholders' equity	21.24%	24.22%	-12.32%	
e. Trade Receivables turnover ratio (times)	Revenue from operations	Average trade receivable	6.86	6.64	3.35%	
f. Trade payables turnover ratio (times)	Total purchases ³	Average trade payables	8.10	8.64	-6.32%	
g. Net capital turnover ratio (times)	Revenue from operations	Average working capital	17.47	14.01	24.65%	
h. Net profit ratio (%)	Profit for the year	Revenue from operations	7.53%	8.32%	-9.44%	
i. Return on Capital employed (%)	Earning before interest and taxes	Capital employed ⁴	28.68%	28.10%	2.07%	
j. Return on investment (%)	Interest income, net gain on sale of investments and net fair value gain	Weighted average investments ⁵	4.49%	5.27%	-14.91%	

Notes:

¹ Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses

² Debt service = Interest and lease payments + Scheduled principal repayments of term loans

³ Total purchases = Other expenses - Contribution towards corporate social responsibility - Provision for doubtful debts - Provision for doubtful advances - Loss on sale/discard of property, plant and equipment + staff welfare expenses

⁴ Capital Employed = Shareholders' equity + Total Debt

⁵ Weighted average investment is the weighted average of amount invested in fixed deposits and mutual funds.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

34. Segment information

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided. The CODM has identified the following as its reportable segments.

- a) Information technology services
- b) Business process outsourcing services (Knowledge services)

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities of the Group are used interchangeably between segments and the CODM does not review assets and liabilities at reportable segment level. Accordingly, segment disclosure relating to assets and liabilities has not been provided as per Ind AS 108.

Geographic segments are based on the areas in which the major customers of the Group operate. Although the Group's major operating divisions are managed on a worldwide basis, they operate in four principal geographical areas of the world which are: India, North America, South East Asian countries and Europe.

The following table provides required information for reportable segments for the year ended December 31, 2024 and December 31, 2023:

Particulars	(₹ in million)							
	Information technology services		Business process outsourcing services		Corporate and others		Total	
	Year ended							
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
REVENUE								
Total revenue	15,725.17	15,123.17	1,756.45	1,783.56			17,481.62	16,906.73
Inter-segment revenue	-	-	(64.35)	(61.55)			(64.35)	(61.55)
External revenue	15,725.17	15,123.17	1,692.10	1,722.01			17,417.27	16,845.18
RESULTS								
Segment results	1,547.12	1,517.54	724.42	780.57			2,271.54	2,298.11
Unallocated corporate expenses					(317.63)	(284.08)	(317.63)	(284.08)
Operating profit							1,953.91	2,014.03
Finance costs					(83.95)	(89.50)	(83.95)	(89.50)
Interest income					37.20	67.34	37.20	67.34
Other unallocable income					7.86	13.39	7.86	13.39
Share of net profit / (loss) of associates accounted for using the equity method (refer to Note 36)					-	(5.04)	-	(5.04)
Tax expense					(603.20)	(599.16)	(603.20)	(599.16)
Profit for the year							1,311.82	1,401.06
Other segment Information								
Depreciation and amortisation	642.97	531.43	9.27	11.14	1.49	1.47	653.73	544.04

35. Related Party Disclosures

- (i) Names of related parties (refer to Note 1 for 'R Systems Group')

Ultimate holding company	BCP Asia II Holdco II Pte. Ltd. (w.e.f. May 10, 2023)
Holding company	BCP Asia II TOPCO II Pte. Ltd. (w.e.f. May 10, 2023)

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

35. Related Party Disclosures (Contd..)

(ii) Names of other related parties with whom transactions have taken place during the year:

Key management personnel	<ul style="list-style-type: none"> a. Dr. Satinder Singh Rekhi, Managing Director & Chief Executive Officer (resigned w.e.f. May 10, 2023) b. Nitesh Bansal, Managing Director & Chief Executive Officer (appointed w.e.f. May 30, 2023) c. Lt. Gen. Baldev Singh (Retd.), President & Senior Executive Director (ceased to be director and key management personnel w.e.f. May 10, 2023) d. Avirag Jain, Director & Chief Technology Officer (ceased to be director and key management personnel w.e.f. May 10, 2023) e. Ruchica Gupta, Chairperson & Non-Executive Independent Director f. Kapil Dhameja, Non-Executive Independent Director g. Aditya Wadhwa, Non-Executive Independent Director h. Mukesh Mehta, Non-Executive Director (appointed w.e.f. May 10, 2023) i. Amit Dalmia, Non-Executive Director (appointed w.e.f. May 10, 2023) j. Animesh Agarwal, Non-Executive Director (appointed w.e.f. May 10, 2023) k. Nand Sardana, Chief Financial Officer l. Bhasker Dubey, Company Secretary & Compliance Officer
Close family member of Key management Personnel	<ul style="list-style-type: none"> a. Ramneet Singh Rekhi, (related to Dr. Satinder Singh Rekhi) President – R Systems (ceased to be related party w.e.f. May 10, 2023) b. Mandeep Singh Sodhi, [related to Lt. Gen. Baldev Singh (Retd.)], Chief Operating Officer – R Systems USA Operations (ceased to be related party w.e.f. May 10, 2023) c. Harpreet Rekhi, (related to Dr. Satinder Singh Rekhi) (ceased to be related party w.e.f. May 10, 2023)
Person having shareholding of 20% or more, directly or indirectly	Bhavook Tripathi
Entities under common control	Nucleus Network

(iii) Details of transactions with related parties for the year ended December 31, 2024, and December 31, 2023:

(₹ in million)

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from information technology and BPO services rendered to		
Nucleus Network	3.66	-
Total	3.66	-
Remuneration		
Short-term employee benefits	107.89	168.58
Post-employment benefits	0.04	0.35
Other long-term employee benefits	0.25	5.24
Employee share-based payment expenses	125.89	-
Sitting fee to independent directors	1.29	1.75
Total	235.36	175.92
Dividend Paid (refer to Note 37)		
BCP Asia II TOPCO II Pte. Ltd.	1,185.66	-
Nand Sardana	3.78	-
Bhavook Tripathi	616.79	-
Total	1,806.23	-
Rent		
Dr. Satinder Singh Rekhi and Harpreet Rekhi	-	5.87
Total	-	5.87

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

35. Related Party Disclosures (Contd..)

(iv) Outstanding balances of related parties as at December 31, 2024 and December 31, 2023:

(₹ in million)

Balance outstanding	As at December 31, 2024	As at December 31, 2023
Trade receivables		
Nucleus Network	1.67	-
Total	1.67	-
Balance payable to key management personnel		
Nitesh Bansal	45.28	30.15
Nand Sardana	3.76	2.62
Total	49.04	32.77

36. Business Combination

a. The Company had acquired 100% equity shares of Velotio Technologies Private Limited ("Velotio") at a consideration of ₹ 2,693.74 million during the previous year.

Further, the previous shareholders of Velotio hold 123,850 outstanding optionally convertible redeemable preference shares ("OCRPS") which were valued at ₹ 2,407.00 million based on terms and conditions stated in Shareholder Agreement ("SHA") dated June 7, 2023, entered between the Company, Velotio and the previous shareholders of Velotio. Accordingly, the total purchase consideration including fair value of OCRPS was assessed at ₹ 5,100.74 million.

Breakup of the purchase consideration and net assets acquired are set out below:

	(₹ in million)
Initial consideration in cash	2,637.07
Amount payable as at December 31, 2023 (refer to Note 19)	56.67
Fair value of the OCRPS	2,407.00
Total Purchase Consideration (A)	5,100.74
Assets, liabilities and Intangible Assets recognized on acquisition date:	
Identifiable Assets	
Property, plant and equipment	28.63
Right-to-use assets	25.05
Intangible Assets (other than goodwill)	
Customer Relationship	1,738.00
Non-Compete Agreement	536.00
Investment in Associates (40% Equity shares of ScaleWorx Technologies Private Limited "ScaleWorx")	96.00
Trade Receivable (net of expected credit loss allowance of ₹ 10.78 million)	216.58
Cash & Bank Balance	209.50
Deferred tax assets (net)	68.03
Other assets	66.71
Total Identifiable Assets (B)	2,984.50
Identified Liabilities	
Trade and other payables	457.98
Mark-to-market loss on derivatives instruments	1.63
Provision for Employee Benefits	42.77
Lease liabilities	25.88
Current tax liabilities (net)	12.90
Total Identified Liabilities (C)	541.16
Net Identified Assets D = B - C	2,443.35
Goodwill E = A - D	2,657.40

b. Payment of ₹ 2,637.07 million was made to the erstwhile shareholders of Velotio towards initial consideration during the previous year and ₹ 56.67 million was paid during the current year.

c. During the period July 03, 2023 to December 31, 2023, Velotio contributed ₹ 660.88 million to revenue from operations from external customers and a profit of ₹ 63.82 million to profit before tax.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

36. Business Combination (Contd..)

- d. The transaction costs such as legal fees, due diligence fees, and other professional and consulting fees of ₹ 32.35 million related to the Velotio acquisition have been included under other expenses in the Consolidated Statement of Profit and Loss for the year ended December 31, 2023.
- e. During the period July 03, 2023 to November 30, 2023, the Group had recorded ₹ 5.04 million as share of loss from associate based on equity accounting. The book value of the associates as at December 1, 2023 is ₹ 90.96 million.
- f. On December 01, 2023, Velotio had acquired balance 60% in ScaleWorx at a purchase consideration of ₹ 42.50 million. Further, the Group had reassessed the Fair value of the 40% shareholding in ScaleWorx and the fair value as on December 01, 2023, is assessed at ₹ 93.00 million against the book value of ₹ 90.96 million and recorded a gain of ₹ 2.04 million as "Net gain on Fair value of Associates" under other income.

Basis this, the total investment value worked out to be ₹ 135.50 million which was allocated as below:

	(₹ in million)
Assets, liabilities and Intangible Assets recognized on acquisition date:	
Identifiable Assets	
Property, plant and equipment	1.28
Customer Relationship	23.60
Deferred tax assets(net)	2.77
Non-current tax assets (net)	2.72
Trade receivables	21.31
Cash and Bank balance	31.80
Other assets	8.27
Total Identifiable Assets (A)	91.75
Identified Liabilities	
Trade and other payables	19.16
Provision for Employee Benefits	2.37
Other current liabilities	2.79
Total Identified Liabilities (B)	24.32
Net Identified Assets C = A – B	67.43
Goodwill	68.06

- g. During the period December 01, 2023 to December 31, 2023, ScaleWorx had contributed ₹ 3.22 million to revenue from operations from external customers and a profit of ₹ 1.70 million to profit before tax.
- h. The transaction costs such as legal fees, due diligence fees, and other professional and consulting fees of ₹ 3.02 million related to the ScaleWorx acquisition have been included under other expenses in the Consolidated Statement of Profit and Loss for the year ended December 31, 2023.
- i. In case these Business Combinations had been affected on January 01, 2023, the revenue from operation and profit of the Group for the year ended December 31, 2023 would have been higher by ₹ 687.54 million and ₹ 119.67 million, respectively. The management consider these 'pro-forma' numbers to represent an approximate measure of the performance of the Group on an annualised basis.
- j. Goodwill is attributable to the benefit of expected synergies and the assembled workforce of the aforesaid Business Combinations.

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

36. Business Combination (Contd..)

- k. Subject to approvals from the Stock Exchanges, Shareholders, Creditors, Hon'ble National Company Law Tribunal, New Delhi and such other regulatory/governmental authorities or persons, as may be required under applicable law, the Board of Directors of R Systems International Limited ("R Systems"/ "Amalgamated Company"), has approved the Composite Scheme of Amalgamation of Velotio Technologies Private Limited ("Velotio" or "Amalgamating Company 1") and Scaleworx Technologies Private Limited ("Scaleworx" or "Amalgamating Company 2") with the Amalgamated Company ("Proposed Scheme") on September 11, 2024 under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").

Upon all the requisite approvals, as per the Proposed Scheme, the Existing Optionally Convertible Redeemable Preference Shareholders of Velotio will be allotted 5,160,833 Optionally Convertible Redeemable Preference Shares of Face Value of ₹ 1/- each of R Systems ("R Systems OCRPS") which will be converted into 5,160,833 equity shares of Face Value of ₹ 1/- each of R Systems on the completion of their Term and subject to Vesting Factor as per terms of R Systems OCRPS (as defined in the Proposed Scheme).

- 37.** The Company paid the first interim dividend for the year 2024 of ₹ 6/- per equity share of face value of ₹ 1/- each on April 12, 2024 and the second interim dividend 2024 of ₹ 6.50/- per equity share of face value of ₹ 1/- each on December 05, 2024, aggregating to ₹ 1,478.79 million.

The Board of Directors at its meeting held on December 13, 2023, had declared an interim dividend of ₹ 6.80/- per equity share of face value of ₹ 1/- each aggregating to ₹ 804.46 million. As at December 31, 2023, the Company had transferred the interim dividend amount to a separate bank account. The aforesaid interim dividend has been paid on January 09, 2024.

38. Assets held for sale

The Company has entered into an agreement to sell the leasehold land, building and certain other assets situated at its NOIDA office for consideration of ₹ 505 million. Pursuant to this transaction, the Company has received an advance of ₹ 70 million from the buyer.

The assets agreed to be transferred under the deal are recorded at lower of their carrying amount and net realizable value. Details of the assets held for sale are as under:

Class of Assets	(₹ in million)
	As at December 31, 2024
Leasehold Land	10.98
Buildings and leasehold improvements	36.02
Plant and equipment	14.84
Electric installation	0.40
Furniture and fittings	1.55
Computer hardware	0.01
Office equipment	0.20
Total	64.00

Notes to Consolidated Financial Statements

for the year ended December 31, 2024



39. Additional Information pursuant to para 2 of general instruction for the preparation of consolidated financial statements

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2024	As % of consolidated net assets	December 31, 2024	As % of consolidated profit or loss	December 31, 2024	As % of consolidated other comprehensive income	December 31, 2024	As % of consolidated total comprehensive income
		Amount in ₹ (mn)		Amount in ₹ (mn)		Amount in ₹ (mn)		Amount in ₹ (mn)	
Parent Entity									
1	R Systems International Limited, India	62.90		5,131.79	68.34	1,485.55	15.95	(1.48)	68.56
Subsidiaries									
Indian Subsidiaries									
1	Velotio Technologies Private Limited	4.75		387.43	14.58	309.60	78.13	(7.25)	14.30
2	Scaleworx Technologies Private Limited	0.78		63.29	0.86	18.78	5.92	(0.55)	0.85
Foreign Subsidiaries									
1	R Systems (Singapore) Pte Limited, Singapore	7.46		608.54	3.99	86.65	-	-	4.00
2	R Systems, Inc., USA	5.58		455.49	4.13	89.81	-	-	4.15
3	R Systems Technologies Ltd., USA	1.20		98.31	0.66	14.38	-	-	0.66
4	R Systems Consulting Services Limited, Singapore	2.27		184.91	1.39	30.31	-	-	1.40
5	R Systems Consulting Services (M) Sdn. Bhd., Malaysia	1.30		106.32	0.28	6.05	-	-	0.28
6	R Systems Consulting Services (Hong Kong) Ltd, Hong Kong	0.02		1.44	(0.07)	(1.38)	-	-	(0.06)
7	R Systems Consulting Services (Thailand) Co., Ltd., Thailand	0.47		38.59	0.80	17.37	-	-	0.80
8	R Systems Consulting Services Kabushiki Kaisha, Japan	(0.60)		(49.09)	(0.27)	(5.85)	-	-	(0.27)
9	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China	(1.51)		(123.07)	(0.75)	(16.35)	-	-	(0.76)
10	R Systems Consulting Services Company Limited (Incorporated on October 17, 2022)	(0.06)		(4.40)	(0.09)	(1.93)	-	-	(0.09)
11	R Systems Computaris International limited, UK	1.77		144.63	2.41	52.46	-	-	2.42
12	R Systems Computaris Europe SRL, Romania	6.70		546.88	0.52	11.21	-	-	0.52
13	R Systems Computaris Poland Sp. z o.o., Poland	110		89.76	(0.10)	(2.05)	-	-	(0.09)
14	R Systems Computaris S.R.L., Moldova	0.92		74.90	0.57	12.29	-	-	0.57
15	R Systems Computaris Malaysia Sdn. Bhd., Malaysia	0.17		13.55	0.02	0.51	-	-	0.02
16	R Systems Computaris Philippines Pte. Ltd. Inc., Philippines	0.17		14.02	0.08	1.68	-	-	0.08
17	R Systems Computaris Suisse Sarl., Switzerland	0.06		4.70	-	0.03	-	-	-
									0.03

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for the year ended December 31, 2024

39. Additional Information pursuant to para 2 of general instruction for the preparation of consolidated financial statements (Contd..)

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2024	Amount in ₹ (mn)	December 31, 2024	Amount in ₹ (mn)	December 31, 2024	Amount in ₹ (mn)	December 31, 2024	Amount in ₹ (mn)
18	RSYS Technologies Ltd., Canada	2.12	173.18	1.14	24.75	-	-	1.14	24.75
19	R Systems IBIZCS Pte. Ltd., Singapore	1.52	123.75	0.39	8.37	-	-	0.39	8.37
20	IBIZ Consulting Services Pte Ltd., Singapore (strike off w.e.f. January 08, 2024)	-	-	-	-	-	-	-	-
21	R Systems IBIZCS Sdn. Bhd., Malaysia	0.64	52.35	0.14	3.00	-	-	0.14	3.00
22	PT. R Systems IBIZCS International, Indonesia	0.38	30.63	0.62	13.46	-	-	0.62	13.46
23	IBIZ Consulting Service Limited., Hong Kong	0.04	3.77	0.03	0.63	-	-	0.03	0.63
24	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China	(0.55)	(44.84)	(0.14)	(2.90)	-	-	(0.13)	(2.90)
25	IBIZ Consulting (Thailand) Co. Ltd., Thailand	0.32	25.77	0.51	11.02	-	-	0.51	11.02
26	RSIL Mexico, S. de R.L. de C.V. (subsidiary w.e.f. October 9, 2024)	0.08	6.66	(0.04)	(0.84)	-	-	(0.04)	(0.84)
	Sub total	100.00	8,159.26	100.00	2,166.61	100.00	(9.28)	100.00	2,164.58
	Adjustment arising out of consolidation		(1,918.76)		(854.79)		3.52		(858.52)
	Total		6,240.50		1,311.82		(5.76)		1,306.06

Notes to Consolidated Financial Statements

for the year ended December 31, 2024



39. Additional Information pursuant to para 2 of general instruction for the preparation of consolidated financial statements (Contd..)

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2023	As % of consolidated net assets	December 31, 2023	As % of consolidated profit or loss	December 31, 2023	As % of consolidated other comprehensive income	December 31, 2023	As % of consolidated total comprehensive income
		Amount in ₹ (mn)		Amount in ₹ (mn)		Amount in ₹ (mn)		Amount in ₹ (mn)	
Parent Entity									
1	R Systems International Limited, India	62.46		4,827.64	80.29	1,734.58	76.71	80.29	1,729.97
Subsidiaries									
Indian Subsidiaries									
1	IBIZ Consultancy Services India Private Limited (Dissolved w.e.f. April 24, 2023)	-		-	-	-	-	-	-
2	Velotio Technologies Private Limited (Acquired w.e.f. July 3, 2023)	3.04		235.12	6.43	139.00	20.79	6.38	137.75
3	Scaleworx Technologies Private Limited (Acquired w.e.f. December 1, 2023)	0.58		45.07	0.06	1.38	2.50	0.06	1.23
Foreign Subsidiaries									
1	R Systems (Singapore) Pte Limited, Singapore	7.73		597.85	0.57	12.29	-	0.57	12.29
2	R Systems, Inc., USA	4.57		353.36	1.20	25.97	-	1.21	25.97
3	R Systems Technologies Ltd., USA	1.05		81.24	0.62	13.50	-	0.63	13.50
4	R Systems Consulting Services Limited, Singapore	2.00		154.69	(0.08)	(1.76)	-	(0.08)	(1.76)
5	R Systems Consulting Services (M) Sdn. Bhd., Malaysia	1.22		94.38	0.79	17.17	-	0.80	17.17
6	R Systems Consulting Services (Hong Kong) Ltd, Hong Kong	0.04		2.76	(0.02)	(0.53)	-	(0.02)	(0.53)
7	R Systems Consulting Services (Thailand) Co., Ltd., Thailand	0.25		19.60	0.32	6.97	-	0.32	6.97
8	R Systems Consulting Services Kabushiki Kaisha, Japan	(0.60)		(46.39)	(0.23)	(4.98)	-	(0.23)	(4.98)
9	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China	(1.38)		(106.50)	(0.97)	(21.03)	-	(0.98)	(21.03)
10	R Systems Consulting Services Company Limited (Incorporated on October 17, 2022)	(0.03)		(2.50)	(0.15)	(3.28)	-	(0.15)	(3.28)
11	R Systems Computaris International limited, UK	3.62		279.68	0.81	17.40	-	0.81	17.40
12	R Systems Computaris Europe SRL, Romania	7.16		552.84	4.21	90.92	-	4.21	90.92
13	R Systems Computaris Poland Sp. z o.o., Poland	1.45		112.18	0.39	8.53	-	0.40	8.53
14	R Systems Computaris S.R.L., Moldova	1.14		88.19	0.76	16.51	-	0.77	16.51
15	R Systems Computaris Malaysia Sdn. Bhd., Malaysia	0.16		12.29	0.04	0.94	-	0.04	0.94
16	R Systems Computaris Philippines Pte. Ltd. Inc., Philippines	0.16		12.50	0.08	1.66	-	0.08	1.66
17	R Systems Computaris Suisse Sarl., Switzerland	0.06		4.88	(0.05)	(1.07)	-	(0.05)	(1.07)
18	RSYS Technologies Ltd., Canada	2.03		157.06	1.15	24.93	-	1.16	24.93
19	R Systems IBZCS Pte. Ltd., Singapore	2.47		191.10	2.26	48.76	-	2.26	48.76

Notes to Consolidated Financial Statements

for the year ended December 31, 2024

39. Additional Information pursuant to para 2 of general instruction for the preparation of consolidated financial statements (Contd..)

S. No.	Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / (loss)		Share in total comprehensive income	
		December 31, 2023		December 31, 2023		December 31, 2023		December 31, 2023	
		As % of consolidated net assets	Amount in ₹ (mn)	As % of consolidated profit or loss	Amount in ₹ (mn)	As % of other comprehensive income	Amount in ₹ (mn)	As % of consolidated total comprehensive income	Amount in ₹ (mn)
20	IBIZ Consulting Services Pte Ltd., Singapore (strike off w.e.f. January 08, 2024)	-	-	(0.03)	(0.67)	-	-	(0.03)	(0.67)
21	R Systems IBIZCS Sdn. Bhd., Malaysia	0.60	46.45	0.20	4.33	-	-	0.20	4.33
22	PT. R Systems IBIZCS International, Indonesia	0.54	41.83	1.19	25.62	-	-	1.19	25.62
23	IBIZ Consulting Service Limited., Hong Kong	0.04	3.02	0.02	0.36	-	-	0.02	0.36
24	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China	(0.54)	(41.88)	0.03	0.60	-	-	0.03	0.60
25	IBIZ Consulting (Thailand) Co. Ltd., Thailand	0.18	13.68	0.34	7.24	-	-	0.34	7.24
	Indian Associates								
	Scaleworx Technologies Private Limited (July 3, 2023 to Nov 30, 2023)	-	-	(0.23)	(5.04)	-	-	(0.23)	(5.04)
	Sub total	100.00	7,730.14	100.00	2,160.30	100.00	(6.01)	100.00	2,154.29
	Adjustment arising out of consolidation		(1,615.77)		(759.24)		69.09		(690.15)
	Total		6,114.37		1,401.06		63.08		1,464.14

40. The financial statements have been approved by the Board of Directors at its meeting held on February 13, 2025.

For and on behalf of the Board of Directors of
R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal

Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : February 13, 2025

Nand Sardana

Chief Financial Officer
Place : NOIDA
Date : February 13, 2025

Ruchica Gupta

Chairperson &
Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : February 13, 2025

Bhasker Dubey

Company Secretary & Compliance Officer
Place : NOIDA
Date : February 13, 2025

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

List of Subsidiaries

S. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency for the relevant Financial year in the case of foreign subsidiaries	Exchange rate as on the last date of the relevant Financial year	Share Capital	Reserves & Surplus	Total assets	Total Liabilities	Investments (other than subsidiary and fellow associates)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	R Systems (Singapore) Pte Limited, Singapore	December 31, 2024	Singapore Dollar	62.91	480.03	128.51	705.37	96.83	-	804.26	88.98	1.92	87.06	-	100.00%
2	R Systems, Inc., USA	December 31, 2024	US Dollar	85.62	131.63	323.86	895.29	439.80	-	3,166.40	137.58	45.67	91.91	-	100.00%
3	R Systems Technologies Ltd., USA	December 31, 2024	US Dollar	85.62	20.87	77.44	99.81	1.50	-	333.26	18.90	4.18	14.72	-	100.00%
4	R Systems Consulting Services Limited, Singapore ⁽¹⁾	December 31, 2024	Singapore Dollar	62.91	5,444.40	(5,259.48)	249.60	64.68	-	232.38	30.45	-	30.45	-	99.75%
5	R Systems Consulting Services (M) Sdn. Bhd. Malaysia ⁽²⁾	December 31, 2024	Malaysian Ringgit	19.14	78.46	27.86	136.57	30.25	-	335.41	8.95	2.62	6.33	-	99.75%
6	R Systems Consulting Services (Hong Kong) Limited, Hong Kong ^{(2) & (4)}	December 31, 2024	Hong Kong Dollar	11.02	0.00	1.44	2.41	0.97	-	6.43	(1.41)	-	(1.41)	-	99.75%
7	R Systems Consulting Services (Thailand) Co. Ltd., Thailand ⁽²⁾	December 31, 2024	Thai Baht	2.50	5.01	33.58	131.47	92.88	-	328.88	23.56	5.25	18.31	-	99.75%
8	R Systems Consulting Services Kabushiki Kaisha, Japan ⁽²⁾	December 31, 2024	Japanese Yen	0.55	5.47	(54.56)	1.67	50.76	-	0.66	(5.78)	0.01	(5.79)	-	99.75%
9	R Systems Consulting Services (Shanghai) Co., Ltd., People's Republic of China ⁽²⁾	December 31, 2024	Chinese Yuan	11.72	19.41	(142.48)	17.56	140.63	-	11.05	(16.47)	-	(16.47)	-	99.75%
10	R Systems Consulting Services Company Limited, Vietnam ^{(2) & (8)}	December 31, 2024	Vietnamese dong	0.00	0.81	(5.20)	0.60	4.99	-	-	(1.94)	-	(1.94)	-	99.75%
11	R Systems Computaris International Limited, UK	December 31, 2024	Euro	89.20	0.07	144.56	223.75	79.12	-	162.75	54.21	2.52	51.69	-	100.00%
12	R Systems Computaris Europe SRL, Romania ⁽³⁾	December 31, 2024	Romanian leu	17.89	51.00	495.88	1,102.93	556.05	-	1,784.64	9.17	(1.83)	11.00	-	100.00%
13	R Systems Computaris Poland sp z o.o., Poland ⁽³⁾	December 31, 2024	Polish Zloty	20.80	41.59	48.16	262.76	173.01	-	567.02	(1.54)	0.49	(2.03)	-	100.00%
14	R Systems Computaris SRL, Moldova ⁽³⁾	December 31, 2024	Moldovan leu	4.72	0.03	74.88	155.18	80.27	-	189.23	25.53	13.41	12.12	-	100.00%
15	R Systems Computaris Malaysia Sdn. Bhd., Malaysia ⁽³⁾	December 31, 2024	Malaysian Ringgit	19.14	1.84	11.73	21.42	7.85	-	20.71	0.90	0.36	0.54	-	100.00%
16	R Systems Computaris Philippines Pte. Ltd. Inc. ⁽³⁾	December 31, 2024	Philippine Peso	1.47	14.72	(0.70)	32.80	18.78	-	33.41	2.18	0.49	1.69	-	100.00%
17	R Systems Computaris Suisse Sàrl, Switzerland ⁽³⁾	December 31, 2024	Swiss Franc	94.72	5.02	(0.32)	5.85	1.15	-	9.06	0.05	0.02	0.03	-	100.00%
18	RSYS Technologies Ltd., Canada	December 31, 2024	Canadian Dollar	59.58	95.33	77.85	282.61	109.43	-	505.75	33.13	8.98	24.15	-	100.00%
19	R Systems IBIZCS Pte. Ltd., Singapore ⁽⁵⁾	December 31, 2024	Singapore Dollar	62.91	72.40	51.34	300.26	176.52	-	455.81	8.42	0.01	8.41	-	100.00%

(₹ in million, except exchange rate)

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

S. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency for the relevant Financial year in the case of foreign subsidiaries	Exchange rate as on the last date of the relevant Financial year	Share Capital	Reserves & Surplus	Total assets	Total Liabilities	Investments (other than subsidiary and fellow associates)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
20	IBIZ Consulting Services Pte Ltd., Singapore ⁽⁶⁾	Refer Note 8	Singapore Dollar	62.91	-	-	-	-	-	-	-	-	-	-	-
21	R Systems IBIZCS SDN.BHD., Malaysia ⁽⁶⁾	December 31, 2024	Malaysian Ringgit	1914	9.57	42.78	110.77	58.42	-	16913	8.68	5.55	3.13	-	100.00%
22	PT. RSYSTEMS IBIZCS International, Indonesia ⁽⁶⁾	December 31, 2024	Indonesia Rupiah	0.01	1319	17.44	52.69	22.06	-	119.89	16.61	3.15	13.46	-	100.00%
23	IBIZ Consulting Service Limited, Hong Kong ⁽⁶⁾	December 31, 2024	Hong Kong Dollar	11.02	0.11	3.66	27.77	24.00	-	8.42	0.65	-	0.65	-	100.00%
24	IBIZ Consulting Service Shanghai Co., Ltd., People's Republic of China ⁽⁷⁾	December 31, 2024	Chinese Yuan	11.72	5.62	(50.46)	11.46	56.30	-	2979	(2.79)	0.13	(2.92)	-	100.00%
25	IBIZ Consulting (Thailand) Co. Ltd ⁽⁶⁾	December 31, 2024	Thai Baht	2.50	15.02	10.75	41.42	15.65	-	64.04	14.72	3.10	11.62	-	100.00%
26	Velotio Technologies Private Limited ⁽¹¹⁾	December 31, 2024	Indian Rupee	1.00	0.23	387.20	741.87	354.44	-	1,455.90	412.67	103.07	309.60	-	100.00%
27	Scaleworx Technologies Private Limited ⁽¹¹⁾	December 31, 2024	Indian Rupee	1.00	0.15	63.15	82.68	19.38	-	117.28	23.02	4.24	18.78	-	100.00%
28	RSIL Mexico, S. de R.L. de C.V. ⁽⁸⁾	December 31, 2024	Mexican Peso	4.12	7.49	(0.83)	7.64	0.98	-	-	(0.83)	-	(0.83)	-	100.00%

Notes :

- 1 R Systems International Limited holds 69.37% directly in R Systems Consulting Services Limited, Singapore and 30.38% shares through its wholly owned subsidiary i.e. R Systems (Singapore) Pte Limited, Singapore and thus together it holds 99.75% of total capital of R Systems Consulting Services Limited, Singapore.
- 2 Wholly owned subsidiary of R Systems Consulting Services Limited, Singapore which is the subsidiary of R Systems International Limited as explained in note no 1.
- 3 Wholly owned subsidiary of R Systems Computaris International Limited, United Kingdom, which is the wholly owned subsidiary of R Systems International Limited.
- 4 The absolute amount of share capital in R Systems Consulting Services (Hong Kong) Limited, Hong Kong is Rs. 12 /- (2 ordinary shares of HKD 1 each).
- 5 Wholly owned subsidiary of R Systems (Singapore) Pte Ltd., Singapore which is the wholly-owned subsidiary of R Systems International Limited.
- 6 Wholly owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore which is the wholly-owned subsidiary of R Systems (Singapore) Pte Limited, Singapore as explained in note no. 5.

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

- 7 Wholly owned subsidiary of IBIZ Consulting Service Limited, Hong Kong which is the wholly-owned subsidiary of R Systems IBIZCS Pte. Ltd., Singapore as explained in note no. 6
- 8 IBIZ Consulting Services Pte Ltd, Singapore was struck off effective January 08, 2024.
- 9 RSIL Mexico, S. de R.L. de C.V., Mexico, a company registered under the laws of United Mexican States in 2024 and subsidiary of the Company since October 9, 2024.
- 10 On July 3, 2023, R Systems International Limited has acquired 100% outstanding equity capital of Velotio Technologies Private Limited (Velotio). As on date Velotio hold 40% Equity shares of Scaleworx Technologies Private Limited (Scaleworx) and on December 1, 2023 acquired the balance 60% Equity Shares and Scaleworx became wholly owned subsidiary.
- 11 Reporting period for all the subsidiaries is financial year i.e. January to December except for Velotio Technologies Private Limited & Scaleworx Technologies Private Limited which follows April to March as its financial year.
- 12 INR numbers are derived by converting respective reporting currency using closing rate.

For and on behalf of the Board of Directors of

R SYSTEMS INTERNATIONAL LIMITED

Nitesh Bansal

Managing Director &
Chief Executive Officer
DIN: 10170738

Place : Frisco TX, USA
Date : May 08, 2025

Nand Sardana

Chief Financial Officer

Place : Greater Noida
Date : May 08, 2025

Ruchica Gupta

Chairperson &
Non-Executive Independent Director
DIN: 06912329

Place : New Delhi
Date : May 08, 2025

Bhasker Dubey

Company Secretary & Compliance Officer

Place : Greater Noida
Date : May 08, 2025

Notice

R SYSTEMS INTERNATIONAL LIMITED**NOTICE OF THE THIRTY FIRST ANNUAL GENERAL MEETING**

[Corporate Identification Number – L74899DL1993PLC053579]

Registered Office: GF-1-A, 6, Devika Tower, Nehru Place, New Delhi -110019, India

Corporate Office: 3rd Floor, Tower No. 1, IT/ITES SEZ of Artha Infratech Pvt. Ltd, Plot No. 21, Sector TechZone-IV, Greater Noida West, Gautam Buddha Nagar, Uttar Pradesh - 201306, India

Tel.: +91 – 120 – 4303500;

Website: www.rsystems.com ; Email: rsil@rsystems.com;

NOTICE is hereby given that Thirty First Annual General Meeting of the shareholders of R SYSTEMS INTERNATIONAL LIMITED (the "Company"/ "R Systems") will be held on Thursday, June 12, 2025 at 10:00 A.M. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt audited financial statements (including consolidated financial statements) of the Company for the financial year ended December 31, 2024 and the Reports of the Board of Directors and the Auditors thereon.
2. To confirm interim dividends of ₹6.00/- and ₹6.50/- per equity share, declared and paid for the financial year ended December 31, 2024.
3. To appoint a director in place of Mr. Amit Dalmia (DIN: 05313886), who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS

4. To appoint M/s. DPV & Associates LLP, Company Secretaries, as Secretarial Auditors for the term of 5 (Five) consecutive years and to consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), read with the provisions of Section 204(1) of the Companies Act, 2013 (the "Act") and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the recommendations of Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of M/s. DPV & Associates LLP, Company Secretaries (Firm Registration No. L2021HR009500 and Peer review No.- 6189/2024) as the Secretarial Auditors of the Company to hold office for a period of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company to be held for the Financial Year ended December 31, 2029, who shall conduct Secretarial Audit of the Company from the Financial Year ended December 31, 2025 to the financial Year ended December 31, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to determine the remuneration of the Secretarial Auditors including the revision in the remuneration during the tenure, if any, in consultation with the Secretarial Auditors, in addition to reimbursement of all out-of-pocket expenses, to be incurred by them in connection with the Secretarial Audit and to do all such acts, deeds and things, as may be necessary, to give effect to the above said resolution."

By Order of the Board
For **R Systems International Limited**

Date : May 17, 2025
Place : Greater Noida

Bhasker Dubey
(Company Secretary & Compliance Officer)

Notice

NOTES

1. The Ministry of Corporate Affairs, Government of India ("MCA") has vide its circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 09/2024 dated September 19, 2024 and other relevant circulars issued by MCA (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through Video Conferencing facility/ Other Audio Visual Means ("VC/OAVM") on or before September 30, 2025 without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the "Act"), SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 31st AGM of the Company is being held through VC/ OAVM. The Deemed Venue for the 31st AGM shall be the Registered Office of the Company. Since the 31st AGM is being held through VC/ OAVM Facility, the Route Map is not annexed in this Notice.
2. For the purpose of convening AGM, the Company has appointed MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar and Share Transfer Agent of the Company ("MUFG Intime"/"RTA"), to provide the VC/ OAVM facility for conducting the AGM and for voting through remote e-voting or e-voting at the AGM. The procedure for participating in the meeting through VC/ OAVM is explained in notes.
3. Corporate members intending to attend the AGM through authorised representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorising the representatives to attend and vote at the AGM. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to devesh@dvpvassociates.com with a copy marked to investors@rsystems.com and enotices@in.mpms.muvg.com.
4. In compliance with the provisions of the Act, MCA Circulars, Listing Regulations, read with SEBI Circular No SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular"), Notice of the AGM along with Annual Report for the year 2024 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories.
5. The Annual Report of financial year ended December 31, 2024 of the Company alongwith the Notice convening this 31st AGM, will be made available on the Company's website at www.rsystems.com as well as on the Stock Exchange websites (www.bseindia.com and www.nseindia.com) and on the website of MUFG Intime India at <https://instavote.linkintime.co.in/>. Physical copy of the Annual Report shall be sent to those Members who request for the same.
6. Members who have not registered/ updated their email address are requested to register/ update the same (i) in case of shares held in demat mode, as per the process advised by concerned Depository Participant ("DP") and (ii) in case of shares held in physical mode by providing the requisite documents at https://web.in.mpms.muvg.com/helpdesk/Service_Request.html.
7. Since, the AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by members will not be available. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 members on first come first served basis. This will not include Large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Compensation Committee, Stakeholders Relationship Committee and Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. The register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the register of contracts or arrangements in which Directors are interested under Section 189 of the Act, the certificate from the Secretarial Auditors of the Company under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Certificate from Statutory Auditors of the Company certifying compliance with the downstream investment as mentioned in Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 or any other documents referred to in the accompanying Notice and explanatory statement, shall be made available for inspection electronically by the Members, during business hour, in accordance with the applicable statutory requirements based on the requests received by the Company at investors@rsystems.com.
10. In accordance with the provisions of Listing Regulations and various circulars issued by Securities and Exchange Board of India, from time to time, requests for effecting the transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. The request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.

11. SEBI has through relevant circulars issued in this regard, mandated furnishing of PAN, KYC details (i.e., postal address with pin code, email id, mobile number, Specimen Signature and bank account details) and nomination details by shareholders holding securities in physical form. In view of the same, concerned shareholders are requested to furnish the requisite documents/ information to the RTA at the earliest. Any service requests or complaints received from the shareholder, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. Dividend payments in respect of such folios wherein PAN or KYC details are not available shall only be made electronically, upon registering all the required details. The formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and SEBI circulars are available on website of RTA at <https://web.in.mpms.mufig.com/KYC-downloads.html>
12. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members can nominate a person in respect of all the shares held by him singly or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the following weblink: <https://web.in.mpms.mufig.com/KYC-downloads.html>. Members holding shares in electronic form may approach their respective DPs for completing the nomination formalities.
13. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate such changes to Company's RTA through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) at the weblink https://web.in.mpms.mufig.com/helpdesk/Service_Request.html.
14. In terms of Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund ("IEPF"). The due dates for transfer of unclaimed dividend and unclaimed shares to IEPF are provided in the report on Corporate Governance. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund.
15. The Company has uploaded information of unclaimed dividends on the websites of the IEPF viz. www.iepf.gov.in and of the Company <https://www.rsystems.com/investors-info/unpaid-and-unclaimed-dividend/>.
16. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5. The said form is available on MCA's website: www.mca.gov.in.
17. SEBI vide Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/135 dated August 04, 2023 and Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/191 dated December 20, 2023 as amended from time to time, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievance with the Company/ its Registrar and Share Transfer Agent directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through our website at <https://www.rsystems.com/investor-services/>. Members can access the SEBI Circulars on the website of SEBI at <https://www.sebi.gov.in/> and the same are also available on the website of the Company at <https://www.rsystems.com/investor-services/>.
18. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the AGM, is attached with this Notice of 31st AGM.
19. The voting period begins on Sunday, June 08, 2025 at 09:00 A.M. and ends on Wednesday, June 11, 2025 at 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Thursday, June 05, 2025, may cast their vote electronically. The e-voting module shall be disabled by MUFG Intime for voting thereafter.
20. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, June 05, 2025.
21. Shareholders who have already voted prior to the meeting date would be entitled to attend but will not be entitled to vote during the AGM.

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22. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

A. Individual Shareholders holding securities in demat mode with NSDL

i. METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

- Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- Enter User ID and Password. Click on "Login"
- 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.
- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for NSDL IDeAS facility:

- To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- Proceed with updating the required fields.
- Post successful registration, user will be provided with Login ID and password.
- After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

ii. METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL

- Visit URL: <https://www.evoting.nsdl.com>
- Click on the "Login" tab available under 'Shareholder/Member' section.
- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

B. Individual Shareholders holding securities in demat mode with CDSL

i. METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- Click on New System Myeasi Tab
- Login with existing my easi username and password
- After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
<https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided username and password.
- d) After successful login, user will be able to see e-voting menu.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

ii. METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

C. Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through “e-voting” option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

- d) After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

D. Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

- a) Visit URL: <https://instavote.linkintime.co.in>

Shareholders who have not registered for INSTAVOTE facility:

- b) Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:

I. User ID:

- NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.
- CDSL demat account – User ID is 16 Digit Beneficiary ID.
- Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

II. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

III. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

IV. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in **NSDL form**, shall provide ‘IV’ above

Shareholders holding shares in **physical form but have not recorded ‘III’ and ‘IV’, shall provide their Folio number in ‘IV’ above

- Set the password of your choice
- (The password should contain minimum 8 characters, at least one special Character (!#\$%&), at least one numeral, at least one alphabet and at least one capital letter).

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- Enter Image Verification (CAPTCHA) Code
- Click “Submit” (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

- c) Click on **“Login”** under ‘SHARE HOLDER’ tab.
 - I. User ID: Enter your User ID
 - II. Password: Enter your Password
 - III. Enter Image Verification (CAPTCHA) Code
 - IV. Click “Submit”
- d) Cast your vote electronically:
 - I. After successful login, you will be able to see the “Notification for e-voting”.
 - II. Select ‘View’ icon.
 - III. E-voting page will appear.
 - IV. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
 - V. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

E. Guidelines for Institutional shareholders (“Custodian/ Corporate Body/ Mutual Fund”)

i. STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on **“Sign Up”** under “Custodian / Corporate Body/ Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person’s email ID. (You have now registered on InstaVote)

ii. STEP 2 – Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on **“Investor Mapping”** tab under the Menu Section
- c) Map the Investor with the following details:
 - I. ‘Investor ID’ –
 - NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - CDSL demat account – User ID is 16 Digit Beneficiary ID.
 - II. ‘Investor’s Name - Enter Investor’s Name as updated with DP.
 - III. ‘Investor PAN’ - Enter your 10-digit PAN.
- d) Power of Attorney’ - Attach Board resolution or Power of Attorney.

*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.
- e) Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

iii. STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

a) METHOD 1 - VOTES ENTRY

- I. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- II. Click on **“Votes Entry”** tab under the Menu section.
- III. Enter the **“Event No.”** for which you want to cast vote.
- IV. Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- V. Enter **“16-digit Demat Account No.”** for which you want to cast vote.
- VI. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).

- VII. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

OR

b) METHOD 2 - VOTES UPLOAD

- I. Visit URL:
<https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- II. After successful login, you will be able to see the "Notification for e-voting".
- III. Select **"View"** icon for **"Company's Name / Event number"**.
- IV. E-voting page will appear.
- V. Download sample vote file from **"Download Sample Vote File"** tab.
- VI. Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under **"Upload Vote File"** option.
- VII. Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

F. Helpdesk:

i. Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

ii. Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

G. Forgot Password:

i. Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- a) Click on "Login" under 'SHARE HOLDER' tab.
- b) Click "forgot password?"
- c) Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- d) Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID. CDSL demat account – User ID is 16 Digit Beneficiary ID.

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Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

ii. Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- iii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iv. For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- v. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

23. INSTRUCTION FOR SHAREHOLDERS FOR JOINING AND E-VOTING THE AGM THROUGH VC/OAVM

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

A. Login method for shareholders to attend the AGM through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.mufg.com> & click on “Login”.
- b) Select the “Company” and ‘Event Date’ and register with your following details:

i. Demat Account No. or Folio No:

- Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
- Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
- Shareholders holding shares in physical form – shall provide Folio Number.

ii. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

iii. Mobile No: Enter your Mobile No.

iv. Email ID: Enter your email Id as recorded with your DP/ Company.

- c) Click “Go to Meeting”

You are now registered for InstaMeet, and your attendance is marked for the meeting.

B. Instructions for shareholders to Speak during the AGM through InstaMeet:

- a) Shareholders who would like to speak during the meeting must register their request 3 days in advance with the Company at Email Id: Investors@rsystems.com.
- b) Members can also submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM by sending an email to the Company at investors@rsystems.com, by mentioning their name, DP ID Client ID/ folio number, mobile number on or before Monday, June 09, 2025.
- c) Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
- d) Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with

panellist by switching on video mode and audio of your device.

- e) Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.
- f) Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

C. Instructions for Shareholders to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on 'Submit'.
- d) After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
- e) Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

D. Shareholders/Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

E. Shareholders/Members who have voted through Remote e-Voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet.

However, they will not be eligible to vote again during the meeting.

- F. Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.
- G. Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- H. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

I. Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

- 24. Mr. Devesh Kumar Vasisht, Managing Partner and/ or Mr. Parveen Kumar, Partner of M/s. DPV & Associates LLP, Company Secretaries (Firm Registration No. L2021HR009500), have been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting during AGM in a fair and transparent manner.
- 25. The Scrutinizer shall after the conclusion of voting at the AGM, will unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 26. The results of remote e-voting and e-voting during AGM on the resolutions shall be aggregated and declared on or after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM.
- 27. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. <https://www.rsystems.com/> and on the website of MUFG Intime immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.
- 28. Details as required in Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Director seeking

Notice

re-appointment at the AGM is enclosed as **Annexure-A** to this notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As per applicable provisions of the Companies Act, 2013, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a listed company shall seek shareholder's approval for appointment of Secretarial Auditors of the Company to undertake Secretarial Audit of the Company.

The Board of Directors, at its meeting held on May 08, 2025, has approved and recommended the appointment of M/s. DPV & Associates LLP, Company Secretaries (Firm Registration No. L2021HR009500 and Peer Review Certificate No. 6189/2024), as the Secretarial Auditors of the Company to hold office for a period of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company to be held for the Financial Year ended December 31, 2029, who shall conduct Secretarial Audit of the Company from the Financial Year ended December 31, 2025 to the financial year ended December 31, 2029.

M/s. DPV & Associates LLP is a reputed firm with extensive experience in secretarial audits and compliance matters. They demonstrated a high level of professionalism and expertise in their field, which will be beneficial for ensuring the Company's compliance with applicable laws and regulations.

M/s DPV & Associates LLP is established by Mr. Devesh Vasisht, Fellow member of Institute of Company Secretaries of India and having experience of over 17 years. M/s DPV & Associates LLP is equipped with the team of qualified and experience professionals

with wide and extensive experience w.r.t. Secretarial Audit, Corporate Governance Services, IPO advisory & Due Diligence, Legal Drafting, Opinions, Corporate Restructuring, Related Party Transactions, Handling the Technical Scrutiny and Inspection, Compounding, advising clients on SEBI & Stock Exchange related matters.

The proposed fee for the Secretarial Audit is ₹3,00,000/- (Rupees Three Lakh only), plus applicable taxes and other out-of-pocket expenses. This fee pertains to the audit for the financial year ending December 31, 2025. For subsequent years within the term, the fee will be determined by the Board, based on the recommendation of the Audit Committee.

The proposed fee reflects the auditors' knowledge, expertise, industry experience, and the time and effort required, aligning with industry benchmarks. Fees for services related to certifications and other professional work will be additional to the Secretarial Audit fee and will be determined by the Board in consultation with the Secretarial Auditors.

The recommendation of the Board is based on the fulfilment of eligibility criteria and qualifications prescribed under the relevant Act, Rules, and Listing Regulations. Considerations include the full-time partners' qualifications and experience, the firm's secretarial audit experience, capability, independent assessment, and the quality of audit work performed in the past.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the Notice except to their shareholding in the Company.

The Board recommends the resolution for approval by the shareholders by way of Ordinary Resolution.

By Order of the Board
For **R Systems International Limited**

Bhasker Dubey
(Company Secretary & Compliance Officer)

Date : May 17, 2025
Place : Greater Noida

Annexure A

Details of Directors seeking re-appointment at the Annual General Meeting to be held on Thursday, June 12, 2025 (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by ICSI.

Name of Director	Mr. Amit Dalmia
Date of Birth	October 30, 1975
Initial Date of Appointment	May 10, 2023
Qualifications	Mr. Dalmia received a B.Com. (Hons.) from St. Xavier's College from the University of Kolkata, India. He is a Chartered Accountant (CA), Company Secretary (CS) and Cost Accountant (ICWA) and a three-time gold medalist for securing first-ranks in the country. He has undergone management training program with the Indian Institute of Management, Ahmedabad.
Expertise in specific functional area	Mr. Amit Dalmia has over 27 years of experience in leading businesses and creating value across multiple companies in diverse sectors. As part of Blackstone Private Equity (BX) leadership team in Asia, Mr. Amit is responsible for shaping Blackstone's business strategy, fund-raise, execution of new investments, and steering strategic and operational improvements across portfolio companies to enhance business performance and effect business turnarounds. With the strong returns to our Limited Partners, BX India has been the best performing geography within the firm globally and one of the best performing private equity firms in India. Along with the leadership teams of the portfolio companies, Mr. Dalmia drives value creation strategy in Asia by defining and executing levers of growth and operating efficiencies. Projects he has spearheaded include Blackstone's investment in Mphasis (one of the largest private equity transactions in India), the NASDAQ listing of TaskUs and the exit of Intelnet.
Past Remuneration	Nil
Terms and conditions of Re-appointment	Mr. Amit Dalmia, Non-Executive Director, shall be liable to retire by rotation.
Remuneration proposed to be paid	Nil
Directorship held in other Indian Companies as on date	Mphasis Limited-Director PGP Glass Private Limited-Director Sprinkle Advisors LLP-Partner Alphacore Employees LLP-Partner Florintree UAV LLP-Partner
Membership/ Chairmanship in Committees of other companies*	Stakeholders Relationship Committee – Member (Mphasis Limited) Audit Committee – Member (Mphasis Limited)
Number of shares held in Company [#]	Nil
Relationships between Directors inter-se	Mr. Mukesh Mehta, Mr. Amit Dalmia and Mr. Animesh Agrawal are associated with Blackstone Group. Apart from above, no director is related to other director.
No. of Board Meetings attended during the Financial year ended December 31, 2024	6 out of 6 Board Meetings held during the Financial Year

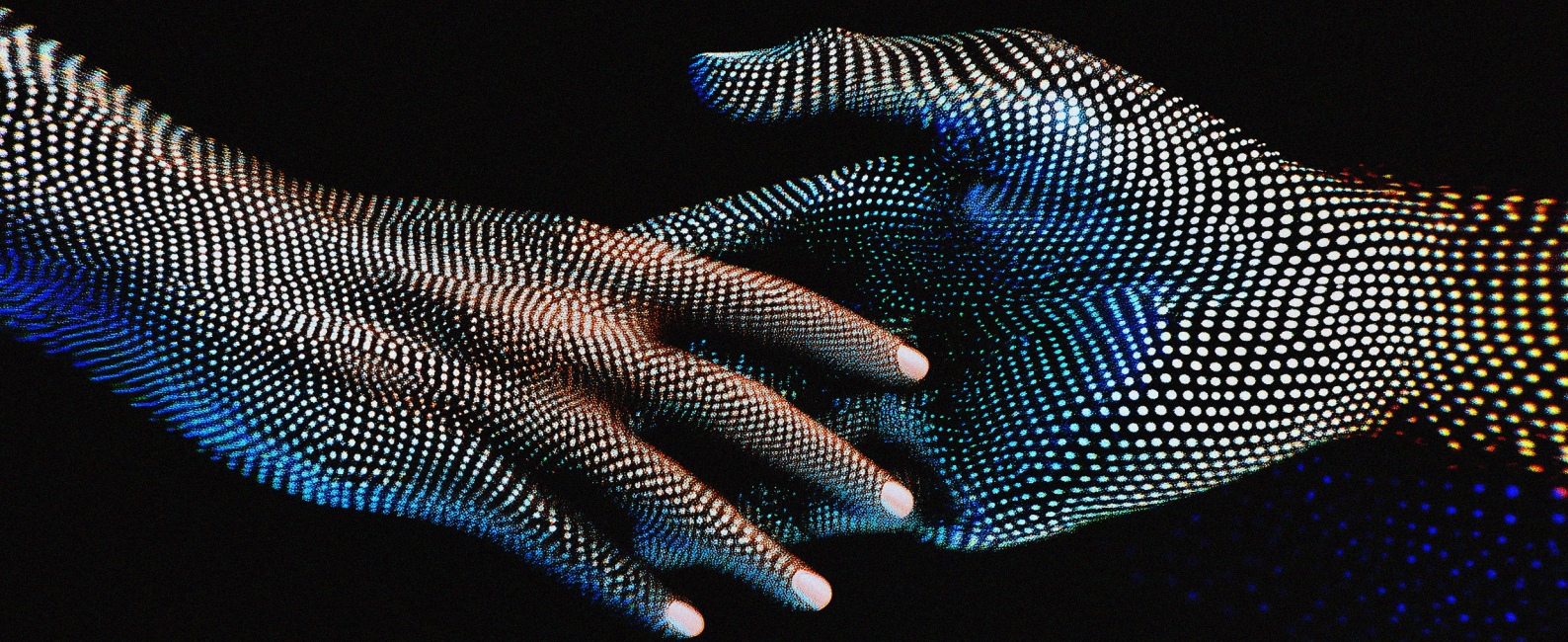
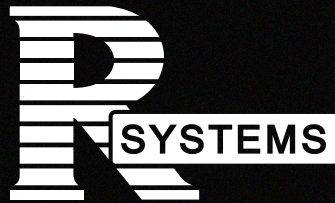
*covers only Audit and Stakeholders Relationship Committee in all public limited companies except R Systems International Limited.

[#]as on May 17, 2025

Notes

[illegible]

[illegible]



About R Systems

R Systems is a leader in digital product engineering, creating advanced software solutions from chip to cloud for diverse sectors including high-tech, telecom, media, finance, manufacturing, and healthcare. Our expertise in cloud, data, AI, and CX, coupled with automation technologies like RPA and No-Code-Low-Code platforms, drives client success in achieving operational goals. With over three decades of innovation, our 4300 experts across global centers deliver exceptional customer experiences. Committed to corporate social responsibility, we actively contribute to educational, environmental, and community-focused initiatives.



R SYSTEMS INTERNATIONAL LIMITED

Annexure-II

Corporate Identity Number : L74899DL1993PLC053579

[CMMI Level 5, PCMM Level 5, ISO 9001:2015 & ISO 27001:2013 Company]

C-40, Sector-59, NOIDA, Distt. Gautam Budh Nagar, U.P., India – 201 307

Phones: +91-120-4303500

Fax: +91-120-4082699

Email : rsil @rsystems.com

www.rsystems.com

Regd. Off.: GF-1-A, 6, Devika Tower,

Nehru Place, New Delhi- 110019

REF: SECT/02/2025/07

February 13, 2025

To, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra – East, Mumbai – 400 051 NSE Symbol – RSYSTEMS	To, BSE Limited P. J. Towers, Dalal Street, Mumbai - 400001 BSE Scrip Code – 532735
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Dear Sir,

SUB: DECLARATION IN RESPECT OF UNMODIFIED OPINION ON AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED ON DECEMBER 31, 2024 UNDER SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

This is with reference to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the “**SEBI Listing Regulations**”). It is hereby declared that the Statutory Auditors of the Company i.e. M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (FRN - 117366W/W- 100018), have issued audit report with unmodified opinion on the standalone and consolidated financial results of the Company for the financial year ended December 31, 2024.

This is for your information and record.

Thanking you.

Yours faithfully,

For R Systems International Limited

BHASKE Digitally signed
by BHASKER
R DUBEY DUBEY

Bhasker Dubey

(Company Secretary & Compliance Officer)